

Also, petition of heirs of Samuel I. Newman, late of Jefferson County, Tenn., praying reference of war claim to Court of Claims under Bowman Act—to the Committee on War Claims.

By Mr. HASKINS: Petition of Frank Martin and others, of Williamstown (Vt.) Grange, in favor of passage of bill H. R. 10765, establishing a Bureau of Public Highways—to the Committee on Interstate and Foreign Commerce.

By Mr. HITT: Petition of the Union Furniture Company, of Rockford, Ill., favoring bill H. R. 6273—to the Committee on Interstate and Foreign Commerce.

Also, petition of George M. Melendy, president of Carroll County (Ill.) Farmers' Institute, against any changes in the oleomargarine laws—to the Committee on Agriculture.

Also, petition of the Skandia Furniture Company, of Rockford, Ill., favoring bill H. R. 6273, modifying the interstate commerce laws—to the Committee on Interstate and Foreign Commerce.

Also, petition of the Shippers and Manufacturers' Association, of Rockford, Ill., against legislation authorizing railroads to pool their traffic or earnings—to the Committee on Interstate and Foreign Commerce.

By Mr. HOGG: Petition of Liberty League, Grand Junction, Mesa County, Colo., indorsing bill H. R. 13778, increasing the power of the Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

Also, resolution of the Woman's Christian Temperance Union of Canon City, Colo., for legislation prohibiting sale of opium except on medical prescription—to the Committee on Ways and Means.

Also, petition of the Woman's Christian Temperance Union of Canon City, Colo., for legislation prohibiting sale of liquors on all Government premises—to the Committee on Alcoholic Liquor Traffic.

Also, petition of the Woman's Christian Temperance Union of Canon City, Colo., for legislation prohibiting no-license towns and States against selling liquor to "speak-easies" under guise of interstate commerce—to the Committee on Interstate and Foreign Commerce.

Also, petition of the Woman's Christian Temperance Union of Canon City, Colo., for legislation prohibiting use of mails for all gambling devices—to the Committee on Interstate and Foreign Commerce.

By Mr. HULL: Resolutions by the Commercial Exchange (Commercial Club) of Des Moines, Iowa, on fixing just and reasonable freight rates by Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

Also, petition of W. G. Stanley and others, for the passage of the Hepburn-Dolliver bill (H. R. 4072)—to the Committee on Alcoholic Liquor Traffic.

By Mr. JENKINS: Petition of the Nebagamon Lumber Company, of Lake Nebagamon, Wis., for passage of bills H. R. 6273 and S. 2439—to the Committee on Interstate and Foreign Commerce.

By Mr. KNAPP: Petition of the Austen Manufacturing Company, of Oswego, N. Y., for enactment of bill H. R. 9051—to the Committee on Ways and Means.

By Mr. MAHON: Petition of Washington Camp, No. 650, Patriotic Order Sons of America, Broad Top City, Pa., for restriction of immigration—to the Committee on Immigration and Naturalization.

Also, petition of I. E. Walker et al., favoring legislation restricting immigration—to the Committee on Immigration and Naturalization.

By Mr. PORTER: Papers relative to pension for George Wineland, of Mattawanna—to the Committee on Invalid Pensions.

Also, resolution of the Illinois Lumber Dealers' Association, indorsing supervision of the Interstate Commerce Commission over freight rates—to the Committee on Interstate and Foreign Commerce.

Also, petition of Henry Winsor & Co., of Philadelphia, Pa., against passage of bill H. R. 15594—to the Committee on Ways and Means.

Also, petition of Geldel & Co. et al., of Pittsburg, that the Interstate Commerce Commission be empowered to fix freight rates—to the Committee on Interstate and Foreign Commerce.

By Mr. SHERMAN: Petition of Utica (N. Y.) Chamber of Commerce, for enactment of the Cooper-Quarles bill regarding interstate commerce—to the Committee on Interstate and Foreign Commerce.

By Mr. STEVENS of Minnesota: Petitions of Edwin Irle and others, R. A. Kirk and others, and Edwin Sugart and others, all citizens of Minnesota, in favor of untaxed denatured alcohol—to the Committee on Ways and Means.

SENATE.

THURSDAY, January 5, 1905.

Prayer by the Chaplain, Rev. EDWARD E. HALE.

Mr. ANSELM J. McLAURIN, a Senator from the State of Mississippi, appeared in his seat to-day.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. GALLINGER, and by unanimous consent, the further reading was dispensed with.

KAW COMMISSION AWARD.

The PRESIDING OFFICER (Mr. PERKINS) laid before the Senate a communication from the Secretary of the Interior, transmitting an item of \$155,976.88 to be inserted in the Indian appropriation bill for the fiscal year 1906, in payment of the award made by the Kansas or Kaw Commission; which, with the accompanying papers, was referred to the Committee on Indian Affairs, and ordered to be printed.

MEDALS OF HONOR.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of War, transmitting a draft of a bill authorizing the distribution of medals for service in the Spanish-American war and other campaigns; which, with the accompanying papers, was referred to the Committee on Military Affairs, and ordered to be printed.

EDWARD ANDERSON.

The PRESIDING OFFICER laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact filed by the court in the cause of Edward Anderson, administrator of Mary Anderson, deceased, v. The United States; which, with the accompanying paper, was referred to the Committee on Claims, and ordered to be printed.

FRENCH SPOILIATION CLAIMS.

The PRESIDING OFFICER laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the conclusions of fact and of law filed under the act of January 20, 1885, in the French spoliation claims set out in the findings by the court relating to the vessel ship *Aurora*, Stephen Butman, master; which, with the accompanying paper, was referred to the Committee on Claims, and ordered to be printed.

He also laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the conclusions of fact and of law filed under the act of January 20, 1885, in the French spoliation claims set out in the findings by the court relating to the vessel sloop *Geneva*, Giles Savage, master; which, with the accompanying paper, was referred to the Committee on Claims, and ordered to be printed.

CREDENTIALS.

Mr. McENERY presented the credentials of MURPHY JAMES FOSTER, chosen by the legislature of the State of Louisiana a Senator from that State for the term commencing March 4, 1907; which were read and ordered to be filed.

PETITIONS AND MEMORIALS.

The PRESIDING OFFICER presented petitions of sundry citizens of Oklahoma Territory, praying for the enactment of legislation to prohibit the manufacture and sale of intoxicating liquors in that Territory when admitted to statehood; which were ordered to lie on the table.

He also presented petitions of sundry citizens of Durand and Albion, in the State of Michigan; of sundry citizens of Baltimore, Md.; Jacksonville, Fla.; Danville, Va.; Kansas City, Mo.; New York City, Buffalo, and Rochester, in the State of New York; of sundry citizens of Philadelphia, Frankford, and Westchester, in the State of Pennsylvania, and of sundry citizens of Celina, Portsmouth, and Antwerp, in the State of Ohio, praying for the enactment of legislation to enlarge the powers of the Interstate Commerce Commission; which were referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of Lawrence, Mass., praying for the adoption of an amendment to the Constitution to prohibit polygamy; which was referred to the Committee on the Judiciary.

Mr. PENROSE presented a petition of the Board of Directors of the "Bourse" of Philadelphia, Pa., praying for the enactment of legislation authorizing the construction of a sea-level canal across the Isthmus of Panama; which was referred to the Committee on Inter-oceanic Canals.

He also presented a memorial of Pomona Grange, No. 41, Patrons of Husbandry, of Wayne County, Pa., remonstrating against the repeal of the present oleomargarine law; which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the faculty of Franklin Institute, of Philadelphia, Pa., praying for the enactment of legislation providing for the use of free alcohol in the arts and manufactures; which was referred to the Committee on Finance.

He also presented petitions of the Woman's Home Missionary Society of the Presbyterian Church of Media, of the congregation of the Presbyterian Church of Manor, and of the congregation of the Presbyterian Church of Harrison city, all in the State of Pennsylvania, praying for the adoption of an amendment to the Constitution to prohibit polygamy; which were referred to the Committee on the Judiciary.

He also presented a petition of the Board of Trade of Erie, Pa., praying for the ratification of international arbitration treaties; which was referred to the Committee on Foreign Relations.

He also presented a petition of the Young People's Society of Christian Endeavor of the Cookman Methodist Episcopal Church of Philadelphia, Pa., and a petition of the Indian Rights' Association of Philadelphia, Pa., praying for the enactment of legislation providing for the protection of Indians against the liquor traffic in new States to be formed; which were ordered to lie on the table.

Mr. FAIRBANKS presented a petition of the congregation of the Methodist Episcopal Church of Farmersburg, Ind., praying for an investigation of the charges made and filed against Hon. REED SMOOT, a Senator from the State of Utah; which were referred to the Committee on Privileges and Elections.

He also presented a petition of the International Pure Food Congress, praying for the passage of the so-called "pure-food bill;" which was ordered to lie on the table.

He also presented a petition of the Harriet Beecher Stowe Woman's Club of Valparaiso, of the Woman's Christian Temperance Union of Elkhart, of the Woman's Christian Temperance Union of Salem, and of the Ladies' Literary Club of Evansville, all in the State of Indiana, praying for the adoption of a certain amendment to the suffrage clause in the statehood bill; which were ordered to lie on the table.

He also presented petitions of the Indian Territory Church Federation, of Muscogee, Ind. T.; of the Woman's Board of Home Missions of the Presbyterian Church; of the Ministerial Association of Kendallville, Ind., and of the congregation of the Tabernacle Christian Church, of Columbus, Ind., praying for the enactment of legislation to prohibit the sale of intoxicating liquors in the Indian Territory when admitted to statehood; which were ordered to lie on the table.

He also presented a petition of the Goodrich Brothers Hay and Grain Company, of Winchester, Ind., and a petition of the Morgan Electric Machine Company, of East Chicago, Ind., praying for the enactment of legislation to increase the powers of the Interstate Commerce Commission; which were referred to the Committee on Interstate Commerce.

Mr. SPOONER presented a memorial of the congregation of the Methodist Episcopal Church of Poynette, Wis., remonstrating against the repeal of the present anticanteen law; which was referred to the Committee on Military Affairs.

Mr. GALLINGER presented a memorial of the Woman's Christian Temperance Union of Dover N. H., remonstrating against the repeal of the present anticanteen law; which was referred to the Committee on Military Affairs.

He also presented the petition of G. W. Buzzell, superintendent of the Good Will Institute, of Nashua, N. H., praying for the enactment of legislation to provide for the protection of Indians against the liquor traffic in new States to be formed; which was ordered to lie on the table.

He also presented a petition of the North Capitol and Eckington Citizens' Association, of Washington, D. C., praying for the enactment of legislation to grade and regulate the salaries of the Metropolitan police; which was referred to the Committee on the District of Columbia.

He also presented a petition of the Woman's Republican Club of New York City, praying for the passage of the so-called "pure-food bill;" which was ordered to lie on the table.

Mr. BATE presented petitions of the congregations of the Trenton Street Baptist Church, the Independent Methodist Church, the Methodist Episcopal Church South, the First Methodist Episcopal Church, the First Presbyterian Church, the Grace Episcopal Church, and the Protestant Episcopal Church, all of Harriman; of sundry citizens of McMinnville, in the State of Tennessee, and of the National Temperance Society of New York, praying for the enactment of legislation providing for the protection of Indians against the liquor traffic in new States to be formed; which were ordered to lie on the table.

Mr. MARTIN presented petitions of the Business Men's Association of Portsmouth, of the Bar Association of Richmond, of the Board of Trade of Lynchburg, and of the Chamber of Commerce of Newport News, all in the State of Virginia, praying for the ratification of international arbitration treaties; which were referred to the Committee on Foreign Relations.

Mr. KEAN presented a petition of sundry citizens of River-ton, N. J., praying for the ratification of international arbitration treaties; which was referred to the Committee on Foreign Relations.

Mr. CLAY presented sundry papers to accompany the bill (S. 5838) for the relief of the heirs of G. W. Click; which were referred to the Committee on Claims.

Mr. PLATT of Connecticut. I present two petitions, to which I wish to call particular attention. One is the petition of Judge Baldwin and other very prominent citizens of New Haven, Conn., relating to the collection of statistics regarding marriage and divorce. I move that the petition be referred to the Committee on the Census.

The motion was agreed to.

Mr. PLATT of Connecticut. I also present a resolution of Lyme Grange, Patrons of Husbandry, of Hamburg, Conn., declaring against the present system of free distribution of seeds. I think the resolution represents pretty fairly the sentiment among agriculturists in Connecticut in opposition to the present governmental distribution of seeds. I move that the memorial be referred to the Committee on Agriculture and Forestry.

The motion was agreed to.

Mr. PLATT of Connecticut presented petitions of the Young People's Society of Christian Endeavor of the South Congregational Church of New Britain, of the Young People's Society of Christian Endeavor of the First Congregational Church of New Britain, and of the Young People's Society of Christian Endeavor of the Second Congregational Church of Berlin, all in the State of Connecticut, praying for an investigation of the charges made and filed against Hon. REED SMOOT, a Senator from the State of Utah; which were referred to the Committee on Privileges and Elections.

He also presented a petition of the Plymouth Christian Endeavor Union, of Terryville, Conn., praying for the enactment of legislation providing for the protection of the Indians against the liquor traffic in the new States to be formed; which was ordered to lie on the table.

He also presented a petition of the Plymouth Christian Endeavor Union, of Terryville, Conn., praying for the enactment of legislation to regulate the interstate transportation of intoxicating liquors; which was referred to the Committee on the Judiciary.

He also presented a petition of the Home Mission Society of Stamford, Conn., praying for the adoption of an amendment to the Constitution to prohibit polygamy; which was referred to the Committee on the Judiciary.

He also presented a petition of the Young People's Society of Christian Endeavor of the First Christian Church of New Britain, Conn., praying for the enactment of legislation to prohibit the sale of intoxicating liquors in all Government buildings, grounds, and ships; which was referred to the Committee on Public Buildings and Grounds.

Mr. COCKRELL. To accompany the bill (S. 6058) granting an increase of pension to John S. Jones, I present the affidavit of Dr. C. H. Fulbright and a letter of George L. Clout. I move that the papers be referred to the Committee on Pensions to accompany the bill.

The motion was agreed to.

Mr. ANKENY presented a petition of sundry citizens of Washington and Alaska, praying for an extension of the Alaskan Government cable from Valdes to Dutch Harbor and Kiska Island and from Juneau to Ketchikan; which was referred to the Committee on Military Affairs.

Mr. LONG presented sundry papers to accompany the bill (S. 6262) granting an increase of pension to Seth M. Tucker; which were referred to the Committee on Pensions.

He also presented sundry papers to accompany the bill (S. 6263) granting a pension to Daisy E. Burrill; which were referred to the Committee on Pensions.

REPORT OF COMMISSIONER OF CORPORATIONS.

Mr. PLATT of New York. I call up the report which I submitted yesterday from the Committee on Printing, providing for printing the report of the Commissioner of Corporations, and I ask that it be considered as now proposed to be amended.

The PRESIDING OFFICER. The report will be read as now presented.

The Secretary read as follows:

Resolved by the Senate (the House of Representatives concurring). That there be printed for the use of the Department of Commerce and Labor 10,000 copies of the report of the Commissioner of Corporations covering the period from the organization of the Bureau to June 30, 1904.

Mr. CULBERSON. In the absence of my colleague [Mr. BAILEY] I call the attention of the Senator from New York to the proceedings of yesterday, in which my colleague suggested that the decision of the Supreme Court, which is criticised in this report, should also be printed with the report, and, as I understand it, the suggestion was accepted by the Senator from New York.

Mr. PLATT of New York. The resolution is now submitted in the form of a concurrent resolution.

Mr. CULBERSON. There is nothing in it, I understand, providing for the printing of the decision of the Supreme Court, which is criticised in the report, and to the printing of which the Senator from New York yesterday assented. I suggest that he amend the resolution and incorporate in it a provision for the reprinting with the report of the decision of the Supreme Court referred to.

Mr. PLATT of New York. Does the Senator's colleague make that demand now?

Mr. CULBERSON. I can not hear the Senator. Mr. President, there is so much noise in the Chamber it is impossible to hear the Senator from New York.

The PRESIDING OFFICER. The Senator from Texas makes an inquiry of the senior Senator from New York.

Mr. PLATT of New York. What is the inquiry?

Mr. CULBERSON. It is this: Yesterday my colleague (and I speak in his absence) suggested that if 10,000 copies of the report of the Commissioner of Corporations are to be printed, there ought also to be printed with the report the decision of the Supreme Court of the United States which is criticised in the report of the Commissioner.

Mr. PLATT of New York. I have no objection.

Mr. CULBERSON. The Senator from New York assented yesterday to that proposition.

Mr. PLATT of New York. I assented yesterday to it.

Mr. CULBERSON. But in the report which the Senator submits this morning from the committee there is no reference to a reprint of the decision of the Supreme Court of the United States.

Mr. PLATT of New York. The difference between the report made this morning and the one made yesterday is that it is now a concurrent resolution; the printing is to be ordered by both Houses.

Mr. CULBERSON. I do not understand that it would make any difference whether it is a concurrent resolution or merely a resolution of the Senate. I suggest to the Senator to let the matter go over until my colleague comes in.

Mr. PLATT of New York. All right.

The PRESIDING OFFICER. Without objection, the report will lie on the table for the present, to be taken up later.

Mr. PLATT of New York subsequently said: I now call up the concurrent resolution which was before the Senate a few minutes ago. I consent to the amendment suggested by the Senator from Texas.

Mr. BAILEY. I am glad the Senator from New York agrees to it, but noticing my remarks of yesterday in the Record this morning, I seem to have confined the suggestion to a single case. In order that there may be no misunderstanding about it I ask that both the case of *Paul v. Virginia* and what is known as the "Knight case" should be printed.

Mr. PLATT of New York. I will consent to that.

Mr. BAILEY. One is an insurance case and the other a manufacturing case.

The PRESIDING OFFICER. Will the Senator from Texas kindly indicate the decision that it may be made of record at the desk?

Mr. BAILEY. I am not sure but that it would be better to offer the decisions themselves, but probably the end can be just as easily and more conveniently reached by providing simply that with this report there shall be printed the opinion of the Supreme Court in *United States v. E. C. Knight Company* (158 U. S. 1), and also in the case of *Paul v. Virginia* (8 Wall., 168). If that is not sufficiently definite, it would take but a moment to send for the cases and give the pages and volumes.

Mr. ALLISON. That is definite enough.

Mr. BAILEY. I think it is definite enough.

Mr. PLATT of New York. The Senator from Texas can supply the references to pages and volumes afterwards.

The PRESIDING OFFICER. The Chair understands that the senior Senator from New York accepts the amendment proposed by the Senator from Texas.

Mr. PLATT of New York. I do.

Mr. BAILEY. I stated the opinion of the court. I ought also to have added the dissenting opinion and the statement of the case. There was a dissenting opinion in the *Knight* case, but none in the *Paul* case.

The PRESIDING OFFICER. The concurrent resolution will be so amended, in the absence of objection. The question is on agreeing to the concurrent resolution as amended.

The concurrent resolution as amended was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring). That there be printed for the use of the Department of Commerce and Labor 10,000 copies of the report of the Commissioner of Corporations covering the period from the organization of the Bureau to June 30, 1904, including therein the statement of the case and the opinion of the court in *Paul v. Virginia*, 8 Wallace, page 168, and the statement of the case, the opinion of the court, and the dissenting opinion in *United States v. E. C. Knight Company*, 158 United States, page 1.

REPORTS OF COMMITTEES.

Mr. STEWART, from the Committee on Claims, to whom was referred the bill (S. 4260) for the relief of Thomas C. Sweeney, reported it with an amendment, and submitted a report thereon.

Mr. ALGER, from the Committee on Commerce, to whom was referred the bill (S. 5804) to authorize the construction of two steam vessels for the Revenue-Cutter Service for duty on Puget Sound, Washington, reported it without amendment, and submitted a report thereon.

Mr. HANSBROUGH, from the Committee on Public Lands, to whom was referred the bill (S. 5799) to provide for the extension of time within which homestead settlers may establish their residence upon certain lands which were heretofore a part of the Rosebud Indian Reservation within the limits of Gregory County, S. Dak., reported it with an amendment, and submitted a report thereon.

Mr. PERKINS, from the Committee on Commerce, to whom was referred the bill (S. 6183) to construct a tender for the engineer service of the twelfth light-house district, reported it with an amendment, and submitted a report thereon.

He also, from the same committee, to whom were referred the following bills, reported them severally without amendment, and submitted reports thereon:

A bill (S. 6182) to establish a light-house and fog signal on Red Rock, upper part of San Francisco Bay, California; and

A bill (S. 6181) to establish a light-house near Santa Barbara landing, California.

OUACHITA RIVER BRIDGE.

Mr. BERRY. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 15317) to build a bridge across the Ouachita River, Arkansas, and I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

F. X. MULHAUPT AND OTHERS.

Mr. KEAN, from the Committee on Claims, to whom were referred the following bills:

A bill (S. 739) for the relief of F. X. Mulhaupt and Caroline Mulhaupt, of Jackson County, Mo.;

A bill (S. 3125) for the relief of Andrew J. Holley;

A bill (S. 4063) for the relief of Edwin F. Mathews;

A bill (S. 5643) for the relief of the estate of Mrs. E. R. Morris, deceased;

A bill (S. 5645) for the relief of William H. Morris;

A bill (S. 5848) for the relief of Simon Normile, John F. Fastabend, and William F. McGregor;

A bill (S. 5866) for the relief of the rector, wardens, and vestry of St. John's Church at Jacksonville, Fla.; and

A bill (S. 6137) for the relief of St. John's Lodge, of Newbern, N. C.,

reported the following resolution; which was considered by unanimous consent, and agreed to:

Resolved, That the claims of F. X. Mulhaupt and Caroline Mulhaupt, of Jackson County, Mo. (S. 739); Andrew J. Holley (S. 3125); Edwin F. Mathews (S. 4063); estate of Mrs. E. R. Morris, deceased (S. 5643); William H. Morris (S. 5645); Simon Normile, John F. Fastabend, and William F. McGregor (S. 5848); rector, wardens, and vestry of St. John's Church at Jacksonville, Fla. (S. 5866), and St. John's Lodge, of Newbern, N. C. (S. 6137), now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to provide for the bringing of suits against the Government of the United States," approved March 3, 1887, and generally known as the "Tucker Act." And the said court shall proceed with the same in accordance with the provisions of such act, and report to the Senate in accordance therewith.

EMPLOYMENT OF ASSISTANT CLERK.

Mr. KEAN, from the Committee to Audit and Control the Contingent Expenses of the Senate, to whom was referred the resolution submitted by Mr. DANIEL December 16, 1904, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved by the Senate, That the Committee on Transportation and Sale of Meat Products be, and it is hereby, authorized to employ a stenographer, whose compensation shall be at the rate of \$100 per month, to be paid out of the contingent fund of the Senate; and his employment shall cease at the close of this the third session of the Fifty-eighth Congress.

Mr. KEAN subsequently said: Mr. President, this morning I reported from the Committee to Audit and Control the Contingent Expenses of the Senate a resolution authorizing the Committee on Transportation and Sale of Meat Products to employ a stenographer. I ask unanimous consent at this time for the reconsideration of the vote by which the resolution was passed for the purpose of correcting a mistake which was made in it.

The PRESIDING OFFICER. The Senator from New Jersey asks unanimous consent for the reconsideration of the vote by which the resolution referred to by him was passed. Is there objection? The Chair hears none, and the resolution is before the Senate for consideration.

Mr. KEAN. I now move to amend the resolution by striking out the words "a stenographer" and inserting the words "an assistant clerk."

The amendment was agreed to.

The resolution as amended was agreed to.

MISSISSIPPI RIVER DAM.

Mr. NELSON. From the Committee on Commerce I report back favorably without amendment the bill (S. 5972) permitting the building of a dam across the Mississippi River between the village of Sauk Rapids, Benton County, Minn., and the city of St. Cloud, Stearns County, Minn., and I ask for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STEAM REVENUE CUTTER FOR ALBEMARLE SOUND, ETC.

Mr. CLAY. I am directed by the Committee on Commerce, to whom was referred the bill (H. R. 2510) for the construction of a steam revenue cutter adapted to service in the waters of Albemarle and Pamlico sounds, North Carolina, to report it favorably without amendment.

Mr. OVERMAN. I ask for the present consideration of the bill just reported by the Senator from Georgia.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The Secretary read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to construct a steam revenue cutter of the first class adapted to service in the waters of Albemarle and Pamlico sounds and Neuse River, North Carolina, at a cost not to exceed the sum of \$175,000.

Mr. OVERMAN. I ask that the letter from the Secretary of the Treasury be read in connection with the bill.

The PRESIDING OFFICER. The letter also will be read.

The Secretary read as follows:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,

Washington, December 11, 1903.

SIR: I have to acknowledge the receipt of letter of the 7th instant inclosing House bill 2510, "to provide for the construction of a steam revenue cutter adapted to service in the waters of Albemarle and Pamlico sounds, North Carolina," for such suggestions as may be deemed proper touching the merits of the bill and the propriety of its passage.

In reply I have to say that a new vessel is needed to take the place of the steamer *Boutwell*, now on duty in the waters of North Carolina. This vessel is over 30 years of age, is virtually worn out, and ill adapted for the duty required.

The original cost of the *Boutwell* was \$70,000. Since her purchase repairs amounting to nearly \$60,000 have been made to the vessel. She now requires very extensive repairs, including new decks, new boiler, and general overhauling, and it is not considered for the interests of the service to put other than minor repairs upon the vessel.

I recommend the passage of the bill, which is herewith returned.

Respectfully,

L. M. SHAW, Secretary.

The CHAIRMAN OF THE COMMITTEE ON

INTERSTATE AND FOREIGN COMMERCE,

House of Representatives.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LIGHT-HOUSE AND BUOY TENDER FOR THIRD DISTRICT.

Mr. GALLINGER. I am directed by the Committee on Commerce to report back favorably without amendment the bill (S. 6003) to provide for the construction of a light-house and buoy tender for the inspector of the third light-house district. I call the attention of the Senator from Connecticut [Mr. PLATT] to the matter.

Mr. PLATT of Connecticut. I ask that the bill may be now considered. I understand that some similar cases are being considered. The necessity for the tender is very great.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That there shall be constructed by the Secretary of Commerce and Labor a light-house and buoy tender for use in the third light-house district at a cost not to exceed \$135,000, and the Light-House Board is authorized to employ temporarily at Washington three draftsmen, to be paid at current rates, to prepare the plans for the said light-house and buoy tender, such draftsmen to be paid from the appropriation for building said vessel, such employment to cease and determine on or before the date when the plans for such light-house and buoy tender shall be finished and proposals for building said vessel are invited by advertisement; and for this purpose the sum of \$135,000, or so much thereof as may be necessary, is hereby appropriated out of any money in the Treasury not otherwise appropriated.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

COUNTING OF ELECTORAL VOTES.

Mr. BURROWS, from the Committee on Privileges and Elections, to whom was referred the concurrent resolution submitted by himself December 8, 1904, reported it without amendment; and it was considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall assemble in the Hall of the House of Representatives on Wednesday, the 8th day of February, 1905, at 1 o'clock in the afternoon, pursuant to the requirements of the Constitution and laws relating to the election of President and Vice-President of the United States, and the President of the Senate shall be their presiding officer; that two tellers shall be previously appointed on the part of the Senate and two on the part of the House of Representatives, to whom shall be handed, as they are opened by the President of the Senate, all the certificates and papers purporting to be certificates of the electoral votes, which certificates and papers shall be opened, presented, and acted upon in the alphabetical order of the States, beginning with the letter A; and said tellers, having then read the same in the presence and hearing of the two Houses, shall make a list of the votes as they shall appear from the said certificates; and the votes having been ascertained and counted in the manner and according to the rules by law provided, the result of the same shall be delivered to the President of the Senate, who shall thereupon announce the state of the vote, which announcement shall be deemed a sufficient declaration of the persons, if any, elected President and Vice-President of the United States, and, together with a list of the votes, be entered on the Journals of the two Houses.

BILLS INTRODUCED.

Mr. ALGER introduced a bill (S. 6292) for the relief of Delia B. Stuart, widow of John Stuart; which was read twice by its title, and, with the accompanying papers, referred to the Committee on Claims.

He also introduced a bill (S. 6293) granting a pension to Lydia A. Bingham; which was read twice by its title, and referred to the Committee on Pensions.

Mr. BLACKBURN introduced a bill (S. 6294) for the relief of Mrs. Olivia F. Moore, formerly Mrs. Olivia F. James; which was read twice by its title, and, with the accompanying papers, referred to the Committee on Claims.

Mr. PENROSE introduced the following bills; which were severally read twice by their titles, and referred to the Committee on Pensions:

A bill (S. 6295) granting a pension to Jane Agnew;

A bill (S. 6296) granting a pension to Sarah Ann Bradford (with accompanying papers);

A bill (S. 6297) granting a pension to Jesse Peters;

A bill (S. 6298) granting an increase of pension to Condy Manelius;

A bill (S. 6299) granting an increase of pension to Albert Ivers;

A bill (S. 6300) granting an increase of pension to John P. Patterson (with accompanying papers);

A bill (S. 6301) granting an increase of pension to John Oursler (with accompanying papers);

A bill (S. 6302) granting a pension to Margaret M. McPherson;

A bill (S. 6303) granting an increase of pension to James Gwyn (with accompanying papers); and

A bill (S. 6304) granting an increase of pension to Jacob Bickart (with accompanying papers).

Mr. PENROSE introduced a bill (S. 6305) to correct the military record of Joseph P. Swope; which was read twice by its

title, and, with the accompanying papers, referred to the Committee on Military Affairs.

He also introduced a bill (S. 6306) to authorize the President to appoint Capt. Henry H. Bellas (retired) to the grade of major and place him on the retired list; which was read twice by its title, and, with the accompanying papers, referred to the Committee on Military Affairs.

He also introduced a bill (S. 6307) to correct the naval record of James Foust; which was read twice by its title, and referred to the Committee on Naval Affairs.

He also introduced the following bills; which were severally read twice by their titles, and referred to the Committee on Claims:

A bill (S. 6308) for the relief of Thomas M. Steep;

A bill (S. 6309) for the relief of Jacob Livingston & Co. (with accompanying papers); and

A bill (S. 6310) for the relief of Jones & Laughlin (Limited) and others (with an accompanying paper).

Mr. FORAKER introduced a bill (S. 6311) for the relief of James W. Jones; which was read twice by its title, and referred to the Committee on Claims.

Mr. BARD introduced a bill (S. 6312) providing for the construction of irrigation and reclamation works in certain lakes and rivers; which was read twice by its title, and referred to the Committee on Irrigation and Reclamation of Arid Lands.

He also introduced a bill (S. 6313) providing for the disposal of lands acquired under the provisions of the reclamation act; which was read twice by its title, and referred to the Committee on Irrigation and Reclamation of Arid Lands.

Mr. HANSBROUGH introduced a bill (S. 6314) for the relief of certain receivers of public moneys, acting as special disbursing agents, in the matter of amounts expended by them for per diem fees and mileage of witnesses in hearings, which amounts have not been credited by the accounting officers of the Treasury Department in the settlement of their accounts; which was read twice by its title, and referred to the Committee on Public Lands.

He also introduced a bill (S. 6315) granting an increase of pension to Theodore McClellan; which was read twice by its title, and referred to the Committee on Pensions.

Mr. WARREN introduced a bill (S. 6316) for the establishment, control, operation, and maintenance of a national sanitarium of the National Home for Disabled Volunteer Soldiers, at Thermopolis, in the State of Wyoming; which was read twice by its title, and referred to the Committee on Military Affairs.

Mr. SCOTT introduced a bill (S. 6317) for the relief of George W. Board; which was read twice by its title, and referred to the Committee on Claims.

Mr. GALLINGER introduced a bill (S. 6318) concerning foreign-built dredges; which was read twice by its title, and referred to the Committee on Commerce.

He also introduced a bill (S. 6319) providing for compulsory education in the District of Columbia; which was read twice by its title, and referred to the Committee on the District of Columbia.

He also introduced a bill (S. 6320) to amend an act approved February 28, 1903, entitled "An act to provide for a union railroad station in the District of Columbia, and for other purposes;" which was read twice by its title, and referred to the Committee on the District of Columbia.

He also introduced a bill (S. 6321) granting a pension to Hattie F. Davis; which was read twice by its title, and referred to the Committee on Pensions.

Mr. CULLOM introduced a bill (S. 6322) for the erection of a public building at Belvidere, Ill.; which was read twice by its title, and referred to the Committee on Public Buildings and Grounds.

Mr. MALLORY introduced a bill (S. 6323) granting a pension to Elizabeth Prigon; which was read twice by its title, and referred to the Committee on Pensions.

He also introduced a bill (S. 6324) granting a pension to Annie M. Kelly; which was read twice by its title, and referred to the Committee on Pensions.

Mr. PLATT of Connecticut introduced a bill (S. 6325) to amend section 5398 of the Revised Statutes; which was read twice by its title, and referred to the Committee on the Judiciary.

He also introduced a bill (S. 6326) increasing the limit of cost of public building at Meriden, Conn.; which was read twice by its title, and referred to the Committee on Public Buildings and Grounds.

Mr. BURNHAM introduced a bill (S. 6327) for the relief of L. K. Scott; which was read twice by its title, and referred to the Committee on Claims.

Mr. BAILEY introduced a bill (S. 6328) for the relief of Daniel W. Dorris; which was read twice by its title, and, with the accompanying papers, referred to the Committee on Claims.

He also introduced a bill (S. 6329) authorizing the appeal of a test case from the citizenship court of the Choctaw and Chickasaw nations of the Indian Territory to the circuit court of appeals of the eighth circuit, at St. Louis, to determine the legal status of intermarried citizens and their descendants; which was read twice by its title, and referred to the Committee on the Judiciary.

Mr. PETTUS introduced a bill (S. 6330) for the relief of the Mitsui Bussan Kaisha; which was read twice by its title, and referred to the Committee on Claims.

Mr. McCREARY introduced a bill (S. 6331) granting an increase of pension to John W. Faulkner; which was read twice by its title, and referred to the Committee on Pensions.

He also introduced a bill (S. 6332) granting an increase of pension to John B. Lucas; which was read twice by its title, and, with the accompanying papers, referred to the Committee on Pensions.

He also introduced a bill (S. 6333) for the relief of the estate of George F. Lee, deceased; which was read twice by its title, and, with the accompanying papers, referred to the Committee on Claims.

Mr. CULBERSON (by request) introduced a bill (S. 6334) for the relief of the estate of John G. Snell, deceased; which was read twice by its title, and, with the accompanying papers, referred to the Committee on Claims.

Mr. KEAN introduced a bill (S. 6335) to correct the military record of Joseph A. Blanchard, late first lieutenant of Troop E, First New York Mounted Rifles; which was read twice by its title, and, with the accompanying paper, referred to the Committee on Military Affairs.

Mr. BLACKBURN introduced a bill (S. 6336) granting an increase of pension to Frances B. Kellogg; which was read twice by its title, and referred to the Committee on Pensions.

OFFICES OF PRESIDENT AND VICE-PRESIDENT.

Mr. BAILEY introduced a joint resolution (S. R. 87) proposing an amendment to the Constitution of the United States, extending the term of the President; which was read the first time by its title, the second time at length, and referred to the Committee on the Judiciary, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following amendment to the Constitution of the United States be proposed to the legislatures of the several States, which, when ratified by three-fourths of said legislatures, shall become and be a part of the Constitution, and shall be known as Article XVI of the amendments to the Constitution:

"The executive power shall be vested in a President of the United States, who shall hold his office during a term of six years, and, together with the Vice-President, chosen for the same term, be elected as provided in Article XII of the amendments to this Constitution. The President shall forever be ineligible to a reelection, nor shall any person be eligible to an election to the Presidency who has served as President under any succession provided for in this Constitution or the laws made in pursuance thereof."

AMENDMENT TO NAVAL APPROPRIATION BILL.

Mr. PENROSE submitted an amendment relative to the promotion of certain retired officers of the Navy who served during the civil war, intended to be proposed by him to the naval appropriation bill; which was referred to the Committee on Naval Affairs, and ordered to be printed.

OBSCENE LITERATURE, ETC.

Mr. PENROSE. I move that the Committee on Post-Offices and Post-Roads be discharged from the further consideration of the bill (H. R. 9493) to amend the act of February 8, 1897, entitled "An act to prevent the carrying of obscene literature and articles designed for indecent and immoral use from one State or Territory into another State or Territory," so as to prevent the importation and exportation of the same, and that it be referred to the Committee on Interstate Commerce.

The motion was agreed to.

WITHDRAWAL OF PAPERS.

On motion of Mr. PENROSE, it was

Ordered, That leave be granted to withdraw from the files of the Senate the papers in the case of John Simpson, accompanying Senate bill 1368, Fifty-eighth Congress, first session, copies of the same to be left in the files, as provided by clause 2 of Rule XXX.

REPORT OF MERCHANT-MARINE COMMISSION.

Mr. GALLINGER submitted the following concurrent resolution; which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That there be printed and bound in cloth 6,000 copies of the report on the Development of the American Merchant Marine and American Commerce, and of the testimony taken in connection therewith, of which 2,000 copies shall be for the use of the Senate, 3,000 copies for the use of the House of Representatives, and 1,000 copies for the use of the Merchant Marine Commission, of which latter 100 copies shall be bound in half morocco.

OUACHITA RIVER BRIDGE.

The PRESIDING OFFICER. If there be no further concurrent or other resolutions, the morning business is closed, and the Calendar under Rule VIII is in order.

Mr. McENERY. I ask unanimous consent for the present consideration of the bill (S. 6019) to authorize the parish of Caldwell, La., to construct a bridge across Ouachita River.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Commerce with amendments, on page 1, line 10, after the words "Sec. 2," to strike out:

That the said bridge authorized to be constructed under this act shall be built and constructed, upon plans to be approved by the Secretary of War, from the end of the main street of said town of Columbia, on the west bank of said Ouachita River, to a point on the east side which said street if projected across the river would touch: *Provided.*

And in line 14, page 2, after the words "Secretary of War," at the end of the section to insert:

And the said company shall, at its own expense, make from time to time such changes in said bridge as the Secretary of War may order in the interest of navigation.

So as to make the section read:

SEC. 2. That the said bridge shall be constructed under and subject to such regulations for the security of navigation as the Secretary of War shall prescribe; and to secure that object the said parish shall submit for his examination and approval a design and drawing of the bridge and a map of the location; and until the location and plan of the bridge are approved by the Secretary of War the bridge shall not be commenced or built; and should any change be made in the plan of said bridge during the progress of construction or after completion such change shall be subject to the approval of the Secretary of War; and the said company shall, at its own expense, make from time to time such changes in said bridge as the Secretary of War may order in the interest of navigation.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSULAR OFFICE RENT.

Mr. LODGE. I ask unanimous consent for the consideration at this time of the bill (S. 3313) to amend section 1706 of the Revised Statutes.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It proposes to amend section 1706 of the Revised Statutes by striking out the words of that section "not to exceed, in any case, 20 per cent of the amount of the annual compensation allowed to such officer," so that the act shall read, "the President may allow consular-general, consuls, and commercial agents who are not allowed to trade, actual expenses of office rent whenever he shall think there is sufficient reason therefor."

Mr. TELLER. I wish the Senator who reported that bill would explain what the purpose of it is, as I could not catch it from the reading at the desk.

Mr. LODGE. The law now provides that there shall not be more than 20 per cent per annum allowed for the office rent of any consulate of the United States.

Mr. TELLER. Twenty per cent of what?

Mr. LODGE. Twenty per cent of the salary fixed by law.

The result of that is in some cases the allowance is very much too large and in other cases it is very much too small. It is a matter now of discretion, to be paid out of the earnings of the service. The Department think it extremely necessary that the consuls should have this latitude, in order to furnish a sufficient sum for proper rent at some of the most important places, notoriously at London. The Committee on Foreign Relations very carefully discussed the bill, and the report is unanimous.

Mr. TELLER. I do not want to interfere with this bill, but I do want to say to the Committee on Foreign Relations that there is in the neighboring Republic of Mexico great need of some additional consulates. There are many sections of that country where people of the United States are investing large sums of money, a long distance from the consulate. I want to call the attention of the committee to the fact. I am particularly interested in a large colony of Colorado people who have gone into Mexico and have invested several millions of dollars there. They have appealed to me to see if they can not have consulates established at two or three different points. I wish the committee would consider that matter.

Mr. LODGE. That is very important, Mr. President.

Mr. CULLOM. I only wish to say that when information comes to the Committee on Foreign Relations of the need of consulships the committee has been inclined to provide for them. I know of one or two cases in Mexico where I hope consulates will be established, but it is rather difficult for the Committee on Foreign Relations to hunt up such places. Of course, when

they are brought to the attention of the committee we give them proper consideration.

Mr. TELLER. I will state to the chairman of the committee that in a day or two I shall present him some points where I think there should be consulates established purely from a business standpoint.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PRACTICE OF MEDICINE AND SURGERY IN THE DISTRICT.

Mr. GALLINGER. I ask unanimous consent for the present consideration of the bill (S. 5359) to amend "An act to regulate the practice of medicine and surgery, to license physicians and surgeons, and to punish persons violating the provisions thereof in the District of Columbia," approved June 3, 1896.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KEAN. I inquire if there is a report accompanying that bill, Mr. President?

Mr. TELLER. If there is a report, let it be read.

Mr. GALLINGER. Mr. President, possibly if I should make a brief statement it would obviate the necessity of reading the report.

The bill is asked for by the medical supervisors of the District and the leading physicians of this city. All it proposes to do is to establish a reciprocal arrangement, so that if in the State of Colorado, for instance, a practitioner of medicine is required to be a graduate of a medical school and is required to have a certificate from the State board of medical examiners equivalent to that required in this District, he may be permitted to practice in the District of Columbia, provided the State of Colorado extends the same reciprocal courtesy to practitioners of the District of Columbia going into that State. The bill simply commences a system of reciprocal courtesy, which can not by any means lower the standard of medical education, but which will be of some advantage to physicians of repute holding the right to practice in their several States—all the States now have laws on this question of medical practice and they are essentially the same—so that they may not be subjected to certain annoyances which they find when they go from one jurisdiction to another. That is all there is in the bill. I think it is a very proper bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ORDNANCE DEPARTMENT.

Mr. WARREN. Mr. President, I ask leave for the consideration at this time of the bill (S. 5166) to increase the efficiency of the Ordnance Department.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments, in section 1, page 1, before the word "colonels," at the beginning of line 5, to strike out "seven" and insert "six;" in the same line, before the word "lieutenant-colonels," to strike out "ten" and insert "nine;" in the same line, before the word "majors," to strike out "twenty-one" and insert "nineteen;" in line 6, before the word "captains," to strike out "twenty-three" and insert "twenty-five;" and in line 7, before the words "first lieutenants," to strike out "twenty-three" and insert "twenty-five;" so as to make the section read:

That the Ordnance Department shall consist of one chief of ordnance, with the rank of brigadier-general; six colonels; nine lieutenant-colonels; nineteen majors; twenty-five captains; twenty-five first lieutenants, and the enlisted men, including ordnance sergeants, as now authorized by law. The vacancies thus caused or created shall, as far as possible, be filled by promotion according to seniority as now prescribed by law, except that the chief of ordnance shall be selected from the permanent officers of the corps for a period of four years.

The amendments were agreed to.

Mr. TELLER. I wish the Senator who has reported this bill would give us some explanation of what is proposed to be accomplished by it.

Mr. WARREN. Mr. President, when the so-called "staff bill" was passed there was some doubt in the War Department and some doubt on the part of many Senators whether it sufficiently provided for the Ordnance Corps. It was submitted to trial, and it has been found that there are too few by seven or eight members of the staff, and that it is difficult to fill from the line under such an examination as the officers are obliged to submit to, because at present there is no promotion in the transfer or

detail. In other words, a man who is a first lieutenant in the line has to submit to a severe examination in order to pass and become eligible, and after having studied long and hard to obtain admission to that corps he gets no advantages in the way of promotion or pay, but is simply there for a short time and goes back to the line at the end of his detail service.

The bill raises the number of officers in the Ordnance Corps from seventy-four to eighty-one. It cuts down somewhat the estimate of the Department, and it leaves first lieutenants and captains eligible to captains' places after they have passed certain examinations, and second lieutenants from the Army at large eligible to first lieutenants' places in the ordnance service.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ARMY MEDICAL DEPARTMENT.

Mr. WARREN. Mr. President, I do not wish to monopolize so much of the time of the Senate, but I feel obliged to call up a similar bill to the one just passed. I ask unanimous consent for the present consideration of the bill (S. 4838) to increase the efficiency of the Medical Department of the United States Army.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. PLATT of Connecticut. Mr. President, this bill is no doubt intelligible to a Senator who is on the Committee on Military Affairs, but to a layman it seems technical, and I think there ought to be some little explanation of it.

Mr. WARREN. Mr. President, it is true the bill is a long one and seemingly technical, but in the sum total the bill is simply one to provide better regulations for the continuance of our Medical Corps. It is perfectly patent, from the fact that during the Spanish war there was a great increase of those employed in the medical service, and that at the close of that war there was a release of some portion of the force, that some measure of reorganization ought to be provided.

This bill does not, in my judgment, materially increase the expense of the corps. In the first place, it makes it possible to do away, in a measure, with the contract-surgeon system, which is now so prevalent and under which we have some 200 employees. It makes it harder for an applicant to get promotion—

Mr. SPOONER. I should like to inquire of the Senator how does the bill enable the doing away with the contract surgeons. Does it make them all officers?

Mr. WARREN. Some of them may be made officers—a reserve corps is provided for and one or more or all of the reserve corps may be called into service as occasion requires. While these are officers of the Army under that reserve corps, and under pay while actually employed, they are not entitled to retirement under pay, pension, etc.

Mr. SPOONER. Does the Senator think it is a good thing to do away with the contract surgeons?

Mr. KEAN. Mr. President, it is impossible to hear the Senators.

Mr. WARREN. This measure does away with the necessity of having in the service so large a proportion or number of army contract surgeons.

Mr. PLATT of Connecticut. There is one question I should like to ask. As I caught the reading of the bill, it provides that where a person is retired on account of disability he shall be retired at a rank higher than the rank which he is enjoying at that time. In other words, there shall be with the retirement promotion to a higher rank. I may not have caught it correctly, but I think I did. I should like to inquire whether that is the rule with reference to other bureaus or departments in the Army?

Mr. WARREN. Perhaps the understanding of the Senator is a little different from mine. For instance, if to-day the Senator were an officer of the Army and entitled to promotion by date and seniority, and he were on examination found inefficient physically, he would be retired with the grade that he were entitled to be seniority rather than to deny him that promotion which he had earned by long and faithful service in the Army because, broken down in health through such long service, he were found physically inefficient.

Will the Senator call my attention to the particular paragraph he has in mind?

Mr. PLATT of Connecticut. I presume the Senator from Wyoming is entirely correct, but my impression was derived from a reading of the bill, and it is very difficult to catch it as it is read from the desk. In section 5, on page 4, there is this provision:

That no officer of the medical corps shall be promoted therein until he shall have successfully passed an examination before an army medical

board consisting of not less than three officers of the medical corps, to be designated by the Secretary of War, such examination to be prescribed by the Secretary of War and to be held at such time anterior to the accruing of the right to promotion as may be for the best interests of the service.

Then there is a proviso—

Mr. WARREN. The Senator will understand—

Mr. PLATT of Connecticut. Let me read the proviso.

Mr. WARREN. Yes.

Mr. PLATT of Connecticut. It says:

Provided, That should any officer of the Medical Corps fall in his physical examination and be found incapacitated for service by reason of physical disability contracted in the line of duty, he shall be retired with the rank to which his seniority entitled him to be promoted.

Mr. WARREN. That is perfectly clear.

Mr. PLATT of Connecticut. Does that apply in other departments of the Army?

Mr. WARREN. Oh, yes. It applies and should apply to all departments of the Army.

As I stated before, when the proper time comes for the promotion of an officer by law, unless some examination intervenes, he of course passes up to promotion one higher grade through that, and if but a day after that he should be found physically incapable he would be retired in his new rank.

Now, this proposes that even though an officer's seniority entitles him to promotion he is not promoted to active service without an examination to see whether his capabilities, mental and physical, are sufficient to warrant such promotion. If he is found physically incapable, he is retired and goes on the retired list with that rank to which he would be entitled were it not for his physical disability.

Mr. PLATT of Connecticut. I think I understand it. But some cases have come to my attention in the line of the Army where an officer has been retired for physical disability, and, although he was just on the eve of promotion, retired at the rank which he then held. He lost his promotion. In some cases, and one particularly of which the Senator from Kentucky [Mr. BLACKBURN], who is listening to me knows, it was very hard indeed. I had thought that perhaps it had been corrected by general law. If not, it ought to be.

Mr. WARREN. There have been cases under old laws, and most of them have been since righted by special legislation. The later course was to pass the officer up to his rank, as if in health, and then retire him soon after.

Now, it is the intention to provide that in all cases there shall be an examination and favorable recommendation as well as seniority before promotion, and that a man's physical disability shall not be a bar to his receiving generous treatment at retirement.

Mr. PLATT of Connecticut. I think there ought to be uniformity in the whole Army about this matter. If we are providing it in reference to the medical staff or corps, the same rule ought to apply to the line.

I hesitate to say anything about this matter, for I probably know as little about the organization of the Army as any Senator.

Mr. PROCTOR. Mr. President, for a long time there has been a statute providing that if an officer reaches the head of his grade and is entitled to promotion, except that he is physically disqualified, he shall be retired at the higher grade.

That has been the statute for quite a good many years referring to all—

Mr. PLATT of Connecticut. Does this provision precisely correspond to that or is it an enlargement of it?

Mr. PROCTOR. I can not say, as I have been out of the Chamber and do not know the particular provision which is under discussion.

Mr. WARREN. In my judgment this bill could have been drawn in shorter form, relying upon the different existing statutes, but sometimes in constructing a measure it is better, instead of referring to other statutes, to have the whole text written out. This provision corresponds identically, according to my understanding, with the advantages offered in other lines.

Mr. SPOONER. I should like to inquire of the Senator from Wyoming what is the strength of the medical corps? This provides for—

16 colonels, 24 lieutenant-colonels, 110 majors, and 300 captains or first lieutenants, who shall have rank, pay, and allowances of officers of corresponding grades in the cavalry arm of the service.

Mr. WARREN. Under existing law there is 1 brigadier-general, 9 colonels, 12 lieutenant-colonels, 60 majors, 155 captains mounted, 75 first lieutenants, 200 contract surgeons, something over 500 in all.

Mr. SPOONER. What increase will this bill, if it is passed, make in the number of medical officers in the Regular Army?

Mr. WARREN. It increases in some grades and decreases in others, but the total number is not increased; on the contrary,

it is decreased over fifty, including, of course, the contract surgeons.

Mr. SPOONER. Are all these reserve corps men to be paid, whether on active duty or not?

Mr. WARREN. Oh, no.

I may say to the Senator that it gives the medical corps a more liberal number of the high-grade officers, but gives it no more in bulk, I may say, or in the aggregate, than at present employed.

The Senator has asked about the medical reserve force. This force is in line of, you may say, the contract surgeons. It may be called into service, in whole or in part, whenever needed. Its members will have passed examinations, be placed on the roll, and can be put into the service at any time, but they do not accumulate the right of officers regarding pay after retirement, pension, etc., and are under no pay except when in the service.

The PRESIDING OFFICER. The amendment reported by the Committee on Military Affairs will be stated.

The SECRETARY. On page 4, section 3, after the word "years," in line 9, it is proposed to insert "reckoned from the date of his commission;" so as to read:

Provided further, That a first lieutenant of the medical corps, upon the completion of three years' service, including service as assistant surgeon in the Regular Army, or as surgeon or assistant surgeon in the Volunteer Army during the war with Spain or since, or on active duty as first lieutenant in the medical reserve corps as hereinafter provided, shall be entitled to the pay and allowances of a captain of the medical corps, and when the aggregate of his service, either as first lieutenant in the medical corps or as assistant surgeon in the Regular Army, equals three years, reckoned from the date of his commission, he shall be entitled, subject to examination, to promotion to the grade of captain in the medical corps.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CAROLINE MURTAGH.

Mr. STEWART. I ask unanimous consent for the present consideration of the bill (S. 5396) for the relief of Caroline Murtagh.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and insert:

That the claim of Caroline Murtagh, as widow and sole heir of William J. Murtagh, deceased, for printing Treasury Department advertisements in the National Republican newspaper of Washington City during the years 1870 to 1873, inclusive, is hereby referred to the Court of Claims for adjudication, and if the court shall find that said advertisements were published with the knowledge and acquiescence of the President and that it had been usual and customary to publish such advertisements in the National Republican, and that said Department derived benefit from their publication, then the said court shall render judgment in such amount as will fairly compensate the said claimant for said advertisements, not to exceed the usual and customary rates of compensation.

Mr. SPOONER. Mr. President, I do not object to the consideration of this bill by the Senate. The matter was discussed on a former occasion, and I see no reason myself to arrive at a different conclusion from the one which forced itself upon me at that time. These empty benches will not take much interest in it, but I want to say a word about the bill if the Senate is to pass it and refer this matter to the Court of Claims, in order that it may not seem from the record that by common consent it was evidently the opinion of the Senate that the report contained evidence warranting the inference that the claim should be allowed by the Court of Claims.

In a nutshell, it is a case of sympathy; and I always sympathize with a woman whose husband performed some service for the Government and who wants pay for it.

The bill provided for seventeen thousand and some hundred dollars to pay for the publication of certain advertisements or notices in the Republican, then a prominent newspaper of this city. The law at that time provided that no advertisement, notice, or proposal for any Executive Department of the Government, or any Bureau thereof or for any office therewith connected, should be published in any newspaper whatever, except in pursuance of a written authority for such publication from the head of such Department, and that no bill for such advertising should be paid unless there were presented with such bills a copy of the written authority required by law.

Mr. Murtagh, who was the owner of the National Republican, as I understand, and a friend of General Grant, had been in the habit of publishing these advertisements. However, for some reason, the law having been changed—he claims it was because of the personal animosity of Mr. Boutwell, who was then Secretary of the Treasury—he was unable to secure from the Secretary of the Treasury any written authority to publish these notices in his newspaper. The Secretary of the Treasury gave

authority to other newspapers in the city, such as he chose, for the publication of the notices, and the report affords evidence that the notices were legally published in other newspapers and were paid for.

There is no possible theory upon which this claim can be maintained against the Government except upon the statements of this report, not one of which I think my friend the Senator from Nevada will agree could be competently proven in the Court of Claims. Take, for instance, the fact stated here, that Mr. Murtagh told his wife that in conversation with President Grant he was advised to go ahead and publish the notices without the written authority from the Secretary of the Treasury, and he (Grant) would see that the bill was paid. Of course a statement made by Mr. Murtagh to any third party would not be competent as proving that Mr. Murtagh had any such conversation with General Grant.

The conclusive presumption is that he must have misunderstood President Grant, for the statement here puts President Grant in the position of willfully violating an act of Congress. President Grant must have known, for the act was plain, that the bill could not be lawfully paid by the Secretary of the Treasury. The payment of it would be a gross, palpable, defiant violation of the law. The Senator admits that. And yet the principal foundation of this claim is that President Grant promised payment thus in violation of law.

If President Grant had been so anxious that these advertisements should be printed in that newspaper, he would have adopted a different course from that indicated here. He would not have said to Mr. Murtagh: "Publish these without authority of law, and I will see that you are paid in violation of law." He would have instructed the Secretary of the Treasury, it being purely an administrative matter, to publish the advertisements in Mr. Murtagh's newspaper and to give the requisite written order to that effect.

Here is a statement from Colonel Crook which shows the flimsiness of this whole business and the attempt to bolster up the claim, in which Colonel Crook testifies to the friendly relations between President Grant and Mr. Murtagh, and asserts his conviction that President Grant would not have permitted any injustice to be done to Mr. Murtagh. That has no tendency to support the charge which is made here against President Grant of violating a plain act of Congress, which was binding upon him, but, on the contrary, it tends very strongly to discredit the fundamental proposition upon which this claim is based, and that is that General Grant desired the publication in that newspaper, because if General Grant felt that his Secretary of the Treasury, out of pure personal hostility to his friend Murtagh, was doing him an injustice, he would have made his order to the Secretary of the Treasury to give the authority to Murtagh to publish the advertisements. He did not do that. He left it entirely to the Secretary of the Treasury, notwithstanding the appeal of Mr. Murtagh to him, and the fact is shown here that the Secretary's refusal to give the order was brought to the attention of General Grant before the publication.

It is absolutely inconceivable on the statements here made to me—I do not know how it may strike the two or three Senators who are giving attention to the public business just now—

Mr. KEAN. Here are two.

Mr. SPOONER. Well, a few. It is absolutely inconceivable, upon the statements made in this report, that any such promise should ever have been made by the President. All the parties are dead except the claimant. Mr. Murtagh is dead; President Grant is dead; and there is nothing here, in my judgment, to send to the Court of Claims. If the Senate wants to send the claim there, carrying with it the inference that in the opinion of this body or of the Congress the statements made here are deemed an adequate foundation for a judgment against the Government for \$17,000, the Senate can do it, of course.

Mr. STEWART. Mr. President, if this was a claim Mr. Murtagh could have obtained payment for upon demand, it never would have been here. He was demanding payment, undoubtedly, all the time. As far as that is concerned, we admit it. The fact, however, appears that he published the notices as he had been doing before and as he did afterwards. Indeed, he published the leading newspaper in this place. It appears that the Secretary of the Treasury, for some peculiar reason of his own, did not order the publication. It is stated by witnesses that President Grant acquiesced in what was done. I do not think so. He did not order that the claim be paid. Of course, he could have commanded the Secretary of the Treasury to issue the necessary order, but Senators know how those things are neglected.

Mr. SPOONER. The Senator does not mean to say that

the President after publication, and without a change in the act of Congress, could have ordered the Secretary to pay the claim?

Mr. STEWART. He could have ordered him to publish the notices.

Mr. SPOONER. Yes. Why did he not?

Mr. STEWART. I do not know why he did not. Such things pass along very frequently without action. A great many things are not done which ought to have been done at the time. I think very likely if President Grant had thought his not doing it would prevent any payment hereafter he would have ordered it.

Now, this is not a new claim. It was presented by Mr. Murtagh himself, for many years, while living. It has been pending during the last fifteen or twenty years, probably. While Mr. Murtagh was alive and able to support his family I did not look into it so particularly. Now he is dead and his aged widow is penniless. His newspaper did this work. The bill provides that if the court shall find that the publication was made and was useful to the Government and was acquiesced in by the President, she may then be compensated. I think that is a fair thing to do. If there is no evidence to sustain the claim, if the claimant can not prove that the publication was made, and that it was useful, of course she can not recover. I admit that it will be a very difficult case to make out. After the statement of the Senator from Wisconsin, with no implication that the Senate has investigated it and found the testimony sufficient, it goes there to let the court examine it and see. If valuable service has been rendered to the Government it ought to be paid for. Upon such a finding the bill allows the court to enter a judgment for such amount as will fairly compensate for the service. I think the bill ought to pass under those circumstances. I think the claim ought to go to the court and that the claimant should be given a hearing.

Mr. SPOONER. Mr. President, just a word. There is nothing that passed along and was forgotten in the time of this claim. It was not something that was overlooked by President Grant. It was not some statutory prerequisite that was carelessly forgotten by Mr. Murtagh. Here is the affidavit of Mr. Murtagh:

Under this designation and authority this affiant published and was paid for so publishing all United States Government advertisements, but in 1870 Congress enacted a law requiring that no advertisement, notice, or proposal for any Executive Department of the Government or for any bureau thereof or for any office therewith connected, should be published in any newspaper whatever except in pursuance of a written authority for such publication from the head of such Department; and no bill for any such advertising or publication should be paid unless there was presented with such bill a copy of the written authority required by said law. This affiant obtained the written authority required by the beforementioned act of Congress from the heads of all the other Departments, but failed to obtain the authority from the Treasury Department for the reason that affiant had opposed some of the policies of the Secretary of the Treasury and incurred his displeasure. Affiant explained the matter to President Grant.

Now, there we find the whole subject explained to President Grant. President Grant knew about the requirement of the law, first, that the publication should not be had without the prior written authority; second, that it should not be paid for except upon vouchers accompanied by the written authority. The refusal of the Secretary of the Treasury to give the written authority to Mr. Murtagh was brought to the attention of President Grant.

What is the attitude in which this affidavit puts President Grant? President Grant in that case, in my opinion, without any question if he had seen fit, would have overruled the Secretary of the Treasury, and would have directed him, as he had a right to do, to make the publication in the National Republican. That he did not do, and President Grant was pretty apt to do what he wanted to do, where he had the power to do it, as he had in this case. But this affiant says:

Affiant explained the matter to President Grant, and inquired of him if it was safe to continue the publication of the advertisements of the Treasury Department. The President remarked that he had better continue the publication—

In absolute violation of law—

and that he could rely on his good offices in the premises.

The only good offices the President could exercise would be a recommendation to Congress to pay the bill. Where is it?

Mr. STEWART. It is not here.

Mr. SPOONER. No; it is not here. I sympathize with the claimant, but I am here as the Senator is, a trustee for the people; and while we have a right to be sympathetic, of course, and generous with our own, we have no right to vote away the people's money without some warrant for it.

Mr. STEWART. While we have a right to be sympathetic and generous to our own, every person who has served the Government and has benefited the Government has a right to compensa-

tion. None of the claims in this claims bill here on my desk have been paid. It has not, I suppose, a claim in it that can be enforced otherwise than through Congress, by Congress recognizing the equity of the claim.

The services were performed in this case. I know something personally about the difficulty at that time and the relation between Secretary Boutwell and Mr. Murtagh at the time, but I do not care to state it. It made the matter a little personal to the President, and he would not like to interfere in such a case. I understand all that. Mr. Murtagh had been publishing in his newspaper here all the other notices before as he did afterwards. I think under the circumstances the court ought to inquire into it, and if it be shown clearly that the Government was benefited, I do not think that woman ought to starve while her husband performed services that benefited the Government and the Government withholds the money. I do not think it is purely a question of sympathy, but I think it is a question of equity. I think the bill ought to pass.

When the bill was up before, proposing to pay a certain amount of money, my attention was called to it and I could not state to the Senate that it was such a case as would warrant me in urging the passage of the bill. I had the bill referred back to the committee. The Senator from Maryland [Mr. McCOMAS] then introduced another bill, which was brought before the committee, and a substitute was reported for it. Under the circumstances, I think the question whether Mr. Murtagh did services which benefited the Government should be inquired into; and, if he did, this poor old lady ought to be paid what was fairly earned by her husband.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. KEAN. I thought the bill was open to objection.

The PRESIDING OFFICER. The consideration of the bill was not objected to. It is before the Senate as in Committee of the Whole.

Mr. KEAN. It is subject to objection at any time.

The PRESIDING OFFICER. Does the Senator from New Jersey object?

Mr. KEAN. Let the bill go over.

The PRESIDING OFFICER. The bill being objected to, it goes over under the rule. The hour of 2 o'clock having arrived, it becomes the duty of the Chair to place before the Senate the unfinished business.

STATEHOOD BILL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 14749) to enable the people of Oklahoma and of the Indian Territory to form a constitution and State government and be admitted into the Union on an equal footing with the original States; and to enable the people of New Mexico and of Arizona to form a constitution and State government and be admitted into the Union on an equal footing with the original States.

Mr. NELSON. Mr. President, yesterday, in the remarks I then made touching the matter of the school-land grants in Oklahoma, New Mexico, and Arizona, I inadvertently made statements that were misleading to the Senate. It was not my purpose in any manner to create a false impression. Since yesterday I have carefully looked up the statutes on the subject, and I now desire to state to the Senate, briefly, the facts in reference to these school-land grants.

Oklahoma, by the act creating that Territory, was given a school-land grant of two sections in every township—sections 16 and 36. It was not in the form of a grant, but simply in the form of a reservation. Subsequent to that act, by three different acts of Congress, one found in 26 Statutes, page 1026, one found in the same Statutes, page 1043, and also a provision contained in 28 Statutes, page 71, authority was given to lease these school lands thus reserved. I will read the last of these acts bearing upon this subject, showing what authority was given in the premises. The act approved May 4, 1894, is as follows:

That the reservation for university, agricultural college, and normal school purposes of section 13 in each township of the lands known as the Cherokee Outlet, the Tonkawa Indian Reservation, and the Pawnee Indian Reservation, in the Territory of Oklahoma, not otherwise reserved or disposed of, and the reservation for public buildings of section 33 in each township of said lands, not otherwise disposed of, made by the President of the United States in his proclamation of August, 19, 1893, be, and the same are hereby, ratified, and all of said lands and all of the school lands in said Territory may be leased under such laws and regulations as may be hereafter prescribed by the legislature of said Territory; but until such legislative action the governor, secretary of the Territory, and superintendent of public instruction shall constitute a board for the leasing of said lands under the rules and regulations heretofore prescribed by the Secretary of the Interior.

In this connection I desire to state that I am informed by the Delegate from Oklahoma Territory in the House of Repre-

sentatives that the legislature of that Territory has taken no action in this matter; but from the report of the governor of Oklahoma it appears that these lands, ever since authority was given under the statute to lease them, have been leased and have brought a large revenue to the Territory of Oklahoma. The common school fund of Oklahoma, according to the last report of the governor of that Territory—the report for 1904—states that \$1,434,429 has been derived from the lease of the school and other lands granted or reserved to the Territory of Oklahoma.

In relation to New Mexico the condition is this: In the act creating the Territory sections 16 and 36 were reserved for school-land purposes, but by the act of June 21, 1898 (30 Stat. L., p. 484), these sections of land were absolutely granted to the Territory in fee. Subsequently a law was passed permitting the lands to be leased. That is found in section 10 of the act of June 21, 1898 (30 Stat., 486). They were permitted by that act to be leased for a period not exceeding five years, and no more than one section of land could be leased to any firm or corporation. As to Arizona, the reservation of sections 16 and 36 in every township given to New Mexico by the act creating the Territory while Arizona was a part of it inured to Arizona when that was created, and was not referred to nor repealed in the act creating Arizona. Subsequently an act was passed authorizing the lease of the school lands in Arizona. The act authorizing the leasing is found in 29 Statutes, page 90. No more than one section can be leased to any one person or corporation under the provisions of the act nor for a longer period than five years.

I desire further to call attention in this connection to the statute I have already referred to, the act of June 21, 1898, which gave an absolute grant to the Territory of New Mexico of the two school sections. It also gave a number of other grants, for university and other purposes and for irrigation purposes. These were absolute grants to the Territory. While the act provided that of the lands granted for university purposes the saline lands and sections 16 and 36—the school sections—could be leased, it provided that "the remainder of the lands granted by this act, except those lands which may be leased only as above provided, may be sold under such laws and regulations as may be hereafter prescribed by the legislative assembly of the Territory of New Mexico."

Mr. FORAKER. Will not the Senator be willing to just read the terms of the grant as they appear in the statute?

Mr. NELSON. Yes. There are several grants. Here is the grant of the school-land sections. I read from the act of June 21, 1898:

That sections Nos. 16 and 36 in every township of the Territory of New Mexico, and where such sections, or any parts thereof, are mineral or have been sold or otherwise disposed of by or under the authority of any act of Congress, other nonmineral lands equivalent thereto, in legal subdivisions of not less than one-quarter section, and as contiguous as may be to the section in lieu of which the same is taken, are hereby granted to said Territory for the support of common schools, such indemnity lands to be selected within said Territory in such manner as is hereinafter provided.

Then there is a proviso, which is not material. I will read the other grants from the same act:

Sec. 2. That fifty sections of the unappropriated nonmineral lands within said Territory, to be selected and located in legal subdivisions as hereinafter provided in this act, shall be, and are hereby, granted to said Territory for the purpose of erecting public buildings at the capital of the State of New Mexico when said Territory shall become a State and be admitted into the Union, when said capital shall be permanently located by the people of New Mexico, for legislative, executive, and judicial purposes.

Then there is another grant:

Sec. 3. That lands to the extent of two townships in quantity, authorized by the sixth section of the act of July 22, 1854, to be reserved for the establishment of a university in New Mexico, are hereby granted to the Territory of New Mexico for university purposes, to be held and used in accordance with the provisions in this section; and any portions of said lands that may not have been heretofore selected by said Territory may be selected now by said Territory. That in addition to the above, 65,000 acres of nonmineral, unappropriated, and unoccupied public land, to be selected and located as hereinafter provided, together with all saline lands in said Territory, are hereby granted to the said Territory for the use of said university, and 100,000 acres, to be in like manner selected, for the use of an agricultural college. That the proceeds of the sale of said lands, or any portion thereof, shall constitute permanent funds, to be safely invested, and the income thereof to be used exclusively for the purposes of such university and agricultural college, respectively.

Mr. FORAKER. Will the Senator state the date of that statute?

Mr. NELSON. Will the Senator allow me to continue the reading of these grants?

Mr. FORAKER. Certainly. I was asking for the date of the statute.

Mr. NELSON. I want to finish reading them.

The following-described additional grants are found in section 6 of said act:

And in lieu of any claim or demand of the State of New Mexico under the act of September 28, 1850, and section 2429 of the Revised Statutes, making a grant of swamp and overflowed lands, which grant it is hereby declared is not extended to said State of New Mexico, the following grants of nonmineral and unappropriated land are hereby made to said Territory for the purposes indicated, namely:

For the establishment of permanent water reservoirs for irrigating purposes, 500,000 acres; for the improvement of the Rio Grande in New Mexico, and the increasing of the surface flow of the water in the bed of said river, 100,000 acres; for the establishment and maintenance of an asylum for the insane, 50,000 acres; for the establishment and maintenance of a school of mines, 50,000 acres; for the establishment and maintenance of an asylum for the deaf and dumb, 50,000 acres; for the establishment and maintenance of a reform school, 50,000 acres; for the establishment and maintenance of normal schools, 100,000 acres; for the establishment and maintenance of an institution for the blind, 50,000 acres; for a miners' hospital for disabled miners, 50,000 acres; for the establishment and maintenance of a military institute, 50,000 acres; for the enlargement and maintenance of the Territorial penitentiary, 50,000 acres. The building known as the Palace, in the city of Santa Fe, and all lands and appurtenances connected therewith and set apart and used therewith, are hereby granted to the Territory of New Mexico.

These are all absolute grants. Then after making these grants section 10 provides:

That the lands reserved for university purposes, including all saline lands, and sections 16 and 36 reserved for public schools, may be leased under such laws and regulations as may be hereafter prescribed by the legislative assembly of said Territory.

Then farther down in the same section the following provision is found:

The remainder of the lands granted by this act, except those lands which may be leased only as above provided, may be sold under such laws and regulations as may be hereafter prescribed by the legislative assembly of said Territory.

Mr. FORAKER. Will the Senator give me the date of that statute?

Mr. NELSON. That is the act of June 21, 1898. It is found in 30 Statutes at Large, page 484.

Mr. FORAKER. The statute does not contain after the word "Territory" the words "or any State which may in the future be incorporated?" Some such language as that was implied in the debate yesterday as appearing in these grants.

Mr. NELSON. It does not appear in the phraseology here.

Mr. FORAKER. But there is a restriction in the statute by implication at least against the sale and disposition of the school lands.

Mr. NELSON. That is, of all school lands. It does not give the legislative assembly authority in express terms to sell it, but it is an absolute grant and gives permission—

Mr. FORAKER. To lease it.

Mr. NELSON. Yes; permission to lease; and if it were not for the last quotation from the statute which I have read I think, being an absolute grant, the Territory could dispose of it. But the act contains this restriction:

The remainder of the lands granted by this act, except those lands which may be leased only as above provided, may be sold under such rules and regulations.

That, under the rule *expressio unius est exclusio alterius*, would imply that if only those lands could be sold the other lands could not be sold.

Mr. FORAKER. Can the Senator tell us whether any of the lands have been in fact sold or whether they are all still retained by the Territory of New Mexico?

Mr. NELSON. There is nothing on record that I know of, but I am informed by people from that Territory that some of the lands of New Mexico have been sold.

Mr. BEVERIDGE. If the Senator will permit me, I think the statement which will be found to be correct is about this, that sections 16 and 36 granted in fee, but with the limitation of alienation, so that they have not been parted with, is one grant. There is a 4,000,000-acre grant outside of that. The 4,000,000-acre grant I understand contained no limitation and some of it has been alienated. I think that is the correct statement.

Mr. FORAKER. But nothing has been alienated of sections 16 and 36.

Mr. BEVERIDGE. No, sir; nor do I understand that it can be alienated. May I ask whether there has been a discussion of the school lands of New Mexico?

Mr. NELSON. I have not covered the school lands at all yet.

Mr. BEVERIDGE. Might it not be well to state for the benefit of the Senator from Ohio right at this point that the school lands in New Mexico and in Arizona are practically of little value? Has the Senator been discussing that point?

Mr. NELSON. I have not got to that point.

Mr. BEVERIDGE. All right; it will be called up later.

Mr. NELSON. In respect to Arizona, I want to supplement what I said a moment before the Senator from Ohio interrupted me, by saying that in addition to the reservation of two sections of each township for school purposes given to that Territory, and which under the law I have quoted they may lease, the Territory of Arizona, by the act of February 18, 1881 (21 Stat L., 326), got an absolute grant of 75,000 acres for a State university, and in the granting act the power of sale was given. Whether the Territory of Arizona has sold any of those lands, I do not know, but the Territory has had the absolute power, since the passage of that act, of selling those lands.

I think that is all I want to say in correction of statements made in the discussion we had about this matter yesterday. I think what I have just stated and quoted places this matter correctly and truly before the Senate.

I want to go back for a moment to Oklahoma and Indian Territory in reference to the Indian question and the question of Indian allotments. On the 17th of December I addressed a letter to the Secretary of the Interior, requesting him to state what progress had been made as to allotments of lands to the Five Civilized Tribes, and the status of the case. I did not yesterday have the letter relative to that subject, but this morning received it from the Department, and I ask to have the letter incorporated in my remarks.

Mr. FORAKER. Will the Senator not read it?

Mr. NELSON. It is quite a lengthy letter.

Mr. KEAN. Let it be read.

Mr. NELSON. As I have stated, the letter is quite lengthy. I shall call attention to some other matters in connection with this subject, which will further elucidate the situation, and incorporate the letter in my remarks.

The letter referred to is as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, December 31, 1904.

The SECRETARY OF THE INTERIOR.

SIR: I have the honor to acknowledge receipt of departmental letter of the 24th instant, inclosing for immediate report a communication from Hon. KNUTE NELSON, of the Committee on Territories, United States Senate, requesting a statement relative to the extent to which allotments to members of the Five Civilized Tribes have been completed.

Senator NELSON desires details as to allotments to members of the Five Civilized Tribes in Indian Territory; how soon the lands not yet allotted are likely to be allotted; as to the per capita allotments in the various nations; the total quantity of each class of allotments; the homestead and surplus, and what provision has been made in respect to the unallotted lands.

Permit me to submit the following statement:

CHEROKEES.

Growing out of the claims of the Delawares, the allotment of lands in the Cherokee Nation was greatly delayed and was not begun until considerable progress had been made in the other nations. The agreement with the United States, approved July 1, 1902 (32 Stat. L., 716), provides for the classification of the lands at valuations from a minimum of 50 cents to a maximum of \$6.50 per acre, and for a per capita distribution according to these valuations. Under this law citizens and freedmen select as their allotments land equal in value to 110 acres of the average allottable land, which is fixed at \$325.60, and as homesteads land equal in value to 40 acres of average allottable land, fixed at \$118.40. Since allotment work began 17,273 selections and claims have been filed, out of a total enrollment of 32,178 citizens by blood, including Delawares, and 3,851 freedmen. Up to and including June 30, 1904, 1,260,408.78 acres of land of the value of \$4,291,695.34 were selected and claimed, out of a total area of 4,420,067.73 acres. Since that time the area selected has risen to 2,132,692.78 acres. It is expected that practically all the lands of the nation will be absorbed by allotments to the citizens by blood and freedmen, aside from special reservations for railroads, town sites, etc. The excess of each allotment over and above the homestead is salable after five years from date of patent.

A suit is now pending in the Court of Claims involving the right of intermarried whites to participate in the distribution of the tribal lands and funds. The questions growing out of these claims may be expected to delay the final settlement of the affairs of the tribe for several years, but the delays will involve funds rather than lands. It is impossible to forecast when the allotment work in this nation will be completed, on account of the probable delays in connection with pending litigation.

CREEKS.

The citizens and freedmen of the Creek Nation receive allotments of 160 acres each. The total area of the nation is 3,172,813.16 acres. Allotments covering an area of 2,485,068.79 acres have been made, leaving, in round numbers, less tracts reserved for sundry purposes, 640,000 acres. A total of 28,982 deeds, including homesteads and excess, have been executed by the principal chief of the nation. Of this number 27,981 have been approved, recorded, and delivered. About 1,000 deeds are withheld from delivery for various causes. Complete allotments have been made to 13,178 citizens and freedmen out of a total enrollment of 9,905 citizens and 5,473 freedmen. Homesteads consist of 40 acres. Provision is made in the Indian appropriation act approved April 21, 1904 (33 Stats., 189), for the public sale of the surplus lands of the Creek Nation. The allotment, outside of the homestead, is salable at the end of five years from date of deed. The first deeds were issued in the summer of 1902.

SEMINOLES.

The approved rolls of the Seminole Nation contain the names of 2,754 persons, to whom have been allotted 344,948.28 acres, the total area of the nation being 365,851.57, and 2,272.65 acres having been reserved from allotment for various purposes, leaving 18,630.64 acres for future disposition.

The agreement between the Commission to the Five Civilized Tribes

and the Seminole Nation, approved July 1, 1898 (30 Stats., 567), contemplated the distribution of all the lands of the nation among its citizens.

The lands were classified in three grades, first, second, and third, and the amount of \$309.09 was fixed upon as the total valuation which would approach nearest to an equal distribution of the lands. Those securing lands of the first grade received 60 acres, those receiving land of the second, 120 acres, and third, 240 acres. No patents have been issued. Legislation is now being sought from Congress for the issuance of patents and for the disposition of the surplus lands. Without further legislation on the subject the deeds or patents will not be issued until after the expiration of the tribal government, March 4, 1906. The restrictions as to the alienation of the surplus, above the homestead, will expire five years from the date of the patent. The homesteads consist of forty acres.

CHOCTAWS AND CHICKASAWS.

The Choctaw and Chickasaw citizens and Mississippi Choctaws receive allotments based on valuations, the average value being \$1,041.28, while the value of each freedman's allotment is \$130.16. The following table shows the number of acres of land embraced in an allotment, according to grade and appraisement:

Land appraised at—	Members. Freedmen.	
	Acres.	Acres.
\$6.50	160.19	20.02
6.00	173.55	21.69
5.50	189.32	23.67
5.00	208.26	26.03
4.50	231.39	28.92
4.00	260.32	32.54
3.25	320.39	40.04
3.00	347.00	43.38
2.50	416.51	52.06
2.00	520.64	65.08
1.50	694.19	86.77
1.00	1,041.28	130.16
.75	1,388.37	173.54
.50	2,082.56	260.32
.25	4,165.12	520.64

There has been allotted and selected in the Choctaw Nation, by 20,298 persons, land to the amount of 3,097,043.22 acres. In the Chickasaw Nation 17,380 allotments and selections have been made, embracing 2,675,877.15 acres. The enrollment of persons entitled to full allotments in the Choctaw Nation is 19,609; of freedmen, 4,966; and in the Chickasaw Nation, 5,468 and 4,916, respectively. The total area of the Choctaw Nation is 6,957,460.21, and of the Chickasaw Nation is 4,653,145.90.

Under the agreement with these nations citizens may sell one-fourth of that part of the allotment which is in excess of the homestead at the end of one year from date of patent, another fourth at the end of three years, and the balance at the end of five years.

The allotments of freedmen are inalienable.

Under section 14 of the supplemental agreement with the Choctaws and Chickasaws (32 Stats., 641) the residue of the lands of the nations are to be sold at public auction.

The allotment work in these nations is nearing completion.

The Indian appropriation act, approved April 21, 1904 (33 Stats., 139), contained a provision which removed the restrictions on the sale of the allotments, except the homesteads, of all intermarried whites and freedmen in the several nations. This only affects the Creek and Cherokee freedmen, as the Choctaw and Chickasaw freedmen have no surplus above the homestead.

Very respectfully,

A. C. TONNER,
Acting Commissioner.

Mr. NELSON. Mr. President, in reference to the allotments which have been made to the Five Civilized Tribes, I want to call the attention of Senators briefly to the character and nature of those allotments, and then to the legislation which was enacted in the Indian appropriation bill at the last session of Congress. There are five nations or tribes. Under an act of Congress agreements were made with the Indians and ratified by the act of March 1, 1901, for allotments to the Creek Indians, as follows:

7. Lands allotted to citizens—

That means citizens of the Creek tribe—

7. Lands allotted to citizens hereunder shall not in any manner whatsoever, or at any time, be encumbered, taken, or sold to secure or satisfy any debt or obligation contracted or incurred prior to the date of the deed to the allottee therefor, and such lands shall not be alienable by the allottee or his heirs at any time before the expiration of five years from the ratification of this agreement, except with the approval of the Secretary of the Interior.

Each citizen—

That means members of the tribes—

shall select from his allotment forty acres of land as a homestead, which shall be nontaxable and inalienable and free from any incumbrance whatever for twenty-one years, for which he shall have a separate deed, conditioned as above.

That is in respect to the Creeks. Now, in respect to the Cherokees, this is the condition of the allotments:

SEC. 13. Each member of said tribe shall, at the time of the selection of his allotment, designate as a homestead out of said allotment land equal in value to 40 acres of the average allottable lands of the Cherokee Nation, as nearly as may be, which shall be inalienable during the lifetime of the allottee, not exceeding twenty-one years from the date of the certificate of allotment. Separate certificate shall issue for said homestead. During the time said homestead is held by the allottee the same shall be nontaxable and shall not be liable for any debt contracted by the owner thereof while so held by him.

SEC. 14. Lands allotted to citizens shall not in any manner whatever or at any time be encumbered, taken, or sold to secure or satisfy any debt or obligation, or be alienated by the allottee or his heirs, before the expiration of five years from the date of the ratification of this act.

I call attention to the distinction that the homestead is inalienable for twenty-one years and the balance of the allotment for five years.

In respect to the Choctaw and Chickasaw nations, the following is the condition as to the allotments:

12. Each member of said tribes shall, at the time of the selection of his allotment, designate as a homestead out of said allotment land equal in value to 160 acres of the average allottable land of the Choctaw and Chickasaw nations, as nearly as may be, which shall be inalienable during the lifetime of the allottee, not exceeding twenty-one years from the date of certificate of allotment, and separate certificate and patent shall issue for said homestead.

13. The allotment of each Choctaw and Chickasaw freedman shall be inalienable during the lifetime of the allottee, not exceeding twenty-one years from the date of certificate of allotment.

15. Lands allotted to members and freedmen shall not be affected or encumbered by any deed, debt, or obligation of any character contracted prior to the time at which said land may be alienated under this act, nor shall said lands be sold except as herein provided.

16. All lands allotted to the members of said tribes, except such land as is set aside to each for a homestead as herein provided, shall be alienable after issuance of patent as follows: One-fourth in acreage in one year, one-fourth in acreage in three years, and the balance in five years; in each case from date of patent.

In reference to the Seminoles, the allotment was made in the same manner. Each allottee in that nation was to designate one tract of 40 acres, which shall, by the terms and conditions of the act, be made inalienable and nontaxable—a homestead in perpetuity.

So you see in these tribes there are two classes of allotments, one known as homestead and the other nonhomestead. These homestead allotments in the case of four of the nations or tribes were inalienable for twenty-one years, while in the case of the Seminoles the homestead grant was inalienable in perpetuity.

These restrictions upon the right of alienation were considerably modified by the following provision in the last Indian appropriation act:

And all the restrictions upon the alienation of lands of all allottees of either of the Five Civilized Tribes of Indians who are not of Indian blood, except minors, are, except as to homesteads, hereby removed, and all restrictions upon the alienation of all other allottees of said tribes, except minors, and except as to homesteads, may, with the approval of the Secretary of the Interior, be removed under such rules and regulations as the Secretary of the Interior may prescribe, upon application to the United States Indian agent at the Union Agency in charge of the Five Civilized Tribes, if said agent is satisfied upon a full investigation of each individual case that such removal of restrictions is for the best interest of said allottee. The finding of the United States Indian agent and the approval of the Secretary of the Interior shall be in writing and shall be recorded in the same manner as patents for lands are recorded.

The provisions which I have read show exactly what restrictions are now in force upon the right of alienation. There was a section in this bill as it came from the other House which proposed to remove entirely all restrictions upon alienation—section 13. I think the committee of the Senate reported in favor of striking out that section, so as to leave the matter exactly as it is left under the law I have just quoted.

I will now, Mr. President, resume my remarks in respect to the proposed State of Arizona, to be composed of the Territories of Arizona and New Mexico. First, I desire to call attention to a proviso in the act establishing the Territory of New Mexico, in 1850 (9 Stat. L., 446):

Provided, That nothing in this act contained shall be construed to inhibit the Government of the United States from dividing said Territory into two or more Territories, in such manner and at such times as Congress shall deem convenient and proper, or from attaching—

I call attention to this—

or from attaching any portion thereof to any other Territory or State.

And in the act establishing the Territory of Arizona, the act of February 24, 1863 (13 Stat. L., 664), is this proviso:

Provided, That nothing contained in the provisions of this act shall be construed to prohibit the Congress of the United States from dividing said Territory or changing its boundaries in such manner and at such time as it may deem proper.

So that we have the right under this law, aside from our general plenary right, to attach or to reattach it to-day as a mere Territory to the Territory of New Mexico; and if that right is reserved, manifestly we have a right to attach it to New Mexico and consolidate it with New Mexico as a State.

Mr. BEVERIDGE. Is it not true that in the proposed bill in regard to Indian Territory and Oklahoma and New Mexico and Arizona the original boundaries are merely restored?

Mr. NELSON. Certainly.

Mr. BEVERIDGE. In both cases?

Mr. NELSON. As to New Mexico and Arizona.

Mr. BEVERIDGE. And as to Indian Territory and Oklahoma?

Mr. NELSON. Certainly.

Mr. FORAKER. Has the Senator before him the organic act creating the Territory of Arizona?

Mr. NELSON. Certainly I have.

Mr. FORAKER. There is a clause in the first part of that act which I should like the Senator to read.

Mr. NELSON. I was just reading from that act. The proviso I have just read is taken from it.

Mr. FORAKER. But there is another proviso which the Senator has not read, as I remember. The one beginning "*Provided further*," is the one I refer to. Will the Senator read that so it may appear in the Record?

Mr. NELSON. I am glad the Senator has called my attention to it. That proviso reads:

Provided further, That said government shall be maintained and continued until such time as the people residing in said Territory shall, with the consent of Congress, form a State government, republican in form, as prescribed in the Constitution of the United States, and apply for and obtain admission into the Union as a State on an equal footing with the original States.

Mr. FORAKER. What Territory is referred to there?

Mr. NELSON. Arizona.

Mr. FORAKER. That is, the Territory of Arizona as described by that act and as created by that act?

Mr. NELSON. Yes. I simply refer to these statutes as a matter of legislative history. Of course there is nothing in them that can constitutionally restrain Congress in its power to create and convert Territories into States. No matter what the legislation may have been under which the Territories were created as Territories, they remain under the absolute control and power of Congress, and there is nothing inhibitive in prior legislation to restrain Congress from taking such action in creating these Territories into States as Congress may see fit. In other words, until they become States Congress has absolute control and power over the subject.

Mr. FORAKER. Will the Senator allow me to interrupt him a moment there?

Mr. NELSON. Certainly.

Mr. FORAKER. I am asking only that I may get information and not in a controversial sense. Does or does not the proviso, or anything similar to the proviso which the Senator read at my request, appear in any other organic act creating a Territory since the beginning of the Government?

Mr. NELSON. I have not examined the other organic acts and I am not prepared at this time to state.

Mr. FORAKER. Can the Senator tell us whether he has examined the contemporaneous history and discussions with a view to ascertaining why this particular proviso was incorporated in this act?

Mr. NELSON. I have not.

Mr. FORAKER. I will ask the Senator another question, with his permission. Has it or has it not occurred to the Senator that that proviso is in the nature of a pledge for a continuance of the Territory of Arizona as created by that organic act until it should be admitted as a State, separate and apart from every other State?

Mr. NELSON. No; I do not understand it as a pledge.

Mr. FORAKER. But the Senator—

Mr. NELSON. At all events, it is not an irrevocable pledge. The Senator can not deny for a moment that, while these Territories remain in a Territorial condition they are absolutely under the control of Congress. It remains with Congress to create them into States, prescribe the dimensions of such States, and the conditions under which they may enter the Union.

Mr. FORAKER. Mr. President, if the Senator will allow me, later in this debate I shall undertake to answer the suggestion the Senator has now made. I am only calling his attention to it now in order that he may, while he is addressing the Senate, give us the benefit of his views on that subject.

Mr. NELSON. I now propose, Mr. President, to resume the discussion that I briefly entered upon yesterday, in respect to the combination of Arizona and New Mexico into one State to be known as Arizona. I stated yesterday, in substance, that, while superficially and upon the map, the area of these two Territories seemed large, almost too large for one State, and so large that there is only one State in the Union to-day—Texas—that exceeds it, and only two States—California and Montana—that approximate it, yet, when we take into consideration the condition of these Territories, their population, their agricultural, industrial, and mining resources, we find after all that Arizona and New Mexico combined will make a pretty small State.

Although these two Territories are to-day a part of the oldest-settled portion of the country within the limits of the United States, yet the two combined have a far less population than the little Territory of Oklahoma. The settlement of New Mexico was one of the first made in this country. A portion of New Mexico has been settled nearly three hundred years; and there was a settlement in the southern part of Arizona, particularly in that portion of it that is commonly called the "Gadsden purchase" at almost as early a date; yet in spite of that early

settlement, in spite of the fact that they have had a Territorial government as liberal and free as they have had in Oklahoma and in the other Territories of the United States, and in spite of the fact that the opportunities for securing public lands in Arizona and New Mexico have been as liberal as in the other Territories of the United States, yet their growth has been very slight, so that in population and in the development of agricultural, grazing, mining, industrial, and other enterprises New Mexico and Arizona are far behind.

Mr. FORAKER. What the Senator states, if he will allow me to interrupt him, as to facts is true, of course. The Senator is advised—

Mr. NELSON. If the Senator will allow me to finish this branch of the subject, I shall then very gladly yield to him.

Mr. FORAKER. But I wanted right in that immediate connection to ask the Senator if he does not think he ought to state, connection with the facts he has stated, that the Government has permitted these Territories to be occupied and overrun practically with the wildest and most savage Indians we had on the continent until only a very few years ago, so that it was not safe for anybody to go there; and if it is not also true that, until within the last two years, we had not completed the work which the land court out there has been engaged in of quieting title to those lands, so that there was no safety in taking public lands?

Mr. NELSON. I can not entirely concur with the Senator. In New Mexico the great body of the Indians have been of the most peaceable and orderly kind that we have in this country.

Mr. FORAKER. I am referring to the Apaches.

Mr. NELSON. I am coming to that. I will come to Arizona. In New Mexico most of the Indians are known as Pueblo Indians, who live in little pueblos in the canyons and valleys of the different streams. They are the most peaceable and orderly and the most developed of all the Indians within the borders of the United States. There has never been a time when those Indians or any Indians in New Mexico have interrupted or interfered with the settlement and development of that country.

Away back years ago the Indians in Arizona were very lawless, and back in the sixties a portion of the Indians in the southern part of the Territory were guilty of massacring and destroying a few of the white settlements, as in later years some of the Apaches in the northern part have done; but it is many years ago now since the Indians in Arizona became quiet and peaceable. The worst of the Apaches were removed—some of them for a time to Florida—and the other Indians were pacified. For the last ten years the Indian problem has been as well solved in Arizona as in any of our Territories, and the Indians have in no manner interrupted the settlement or development of that country.

Now, I want to call your attention to the following facts as illustrating that, while superficially and on the map, the area of these Territories seems very extensive, yet the development of the country has been very limited and very scant. I do not lay this to the people of those Territories; but the fact of the case is, Mr. President, that nature, or Almighty God, has made a dividing line in this country between what we call the rainy belt, that portion of the country where there is a sufficient rainfall to produce crops, and that other belt of the country in which a lack of rain prevails, and where the people, in most instances, have to resort to irrigation.

The boundary line may be variously stated. Some claim that it is the ninety-eighth meridian, some that it is the one hundredth meridian, but whether it is one or the other, both Arizona and New Mexico are well within the boundaries of this arid belt; and they are in the very worst part of the boundaries of it, because they are in a more southern latitude, where the sun has a greater opportunity to dry up the arid land and scorch and dry up the vegetation that may be growing on it. In fact, a large portion of New Mexico and Arizona is a sterile desert, an arid country, interspersed here and there with mountain ranges. On some of these mountain ranges there is a variety of timber—not very heavy in many instances, but scattered timber, sufficient, perhaps, for the purposes of the country. Aside from that the country is, to a large extent, a desert. This becomes plain when we look at the settlement of the country and the amount of public lands that have been entered since these Territories were organized. I quote from the last report of the General Land Office—the report of 1903—the report of 1904 not having yet been issued. It appears, from the report of the Commissioner of the General Land Office for 1903, that at that time there were 47,003,821 acres in Arizona that were unappropriated and unreserved—still Government lands of the United States. There were 20,159,837 acres that were reserved. These lands were reserved partly for forest reservations, partly for Indian reservations, and partly for irrigation purposes under the reclamation

act recently passed by Congress. Of the total amount of the area of that Territory, consisting of 72,792,320 acres, only 5,628,662 acres had been appropriated—that is, purchased and acquired from the Government—less than 6,000,000 acres. Even if we add to this number the sales and disposals of public lands in 1904, we find that the amount will not exceed 6,000,000 acres. So that out of that vast domain only about 6,000,000 acres have been appropriated, purchased, and acquired from the Government. The balance of the land still remains in the Government—20,000,000 acres of it in the shape of Indian, forest, and irrigation reservations.

In New Mexico we find this to be the condition: In 1903 there were 53,772,359 acres of unappropriated and unreserved public lands, and 6,607,759 acres that were reserved—some for irrigation purposes, some for the Indians, and some for forest reservations.

I shall subsequently call attention to the amount of land that has been reserved for forest and irrigation purposes; but in New Mexico there are 18,049,682 acres that have been appropriated and purchased, and a large share of that—I can not tell exactly how much—consisted of old Spanish and Mexican land grants that have been confirmed. So that out of the total area of that Territory—one of the oldest settled portions of the United States—out of a total area of over 78,000,000 acres only a little over 18,000,000 acres have been purchased and title acquired.

Compare this showing with that of Oklahoma and you will see the difference between the two Territories. Oklahoma is a little Territory of 24,774,400 acres. Out of the total area of Oklahoma there were, in 1903, 3,091,333 acres of unappropriated and unreserved public land. There were 3,762,462 acres reserved—all, I think, in the shape of Indian reservations—and 17,920,605 acres had been purchased, appropriated, and secured, mainly under the homestead law, by actual settlers, showing how in that little Territory nearly all the lands have been purchased, secured, and occupied by actual settlers, while in the large Territories of Arizona and New Mexico only a very small portion of the land has been appropriated. More has not been appropriated and secured for the reason that there is no opportunity, no opening for agricultural or grazing industries much beyond the present capabilities of the country; at all events, not until the science of irrigation has been further perfected and extended.

I call attention to these figures for the purpose of showing that the growth of these two Territories, Arizona and New Mexico, has been very slight.

The records of the Land Office show that in Arizona in 1903 there were 142,775 acres purchased and secured from the Government. Only 142,775 acres in all that large domain! In 1904 there were only 254,000 acres. In the two years, 1903 and 1904, less than 400,000 acres of the public domain purchased and secured in that immense Territory. And of that amount of land entries, to which I have just called attention, there were only 465 original homestead entries in 1903 and 453 in 1904. These homestead entries, I may say, and it is perfectly familiar to those of us who live in the West, more than anything else measure and show the settlement of the country by actual settlers.

As I said, there were 465 original homestead entries in Arizona in 1903, and there were 453 original homestead entries in 1904, making a trifle over 900 entries in the two years in all that domain. During that period there were, in 1903, 64,000 acres of railroad selections made under land grants, and 156,000 acres in 1904, or, in other words, a little over 200,000 acres of the lands appropriated in that Territory in those two years—that is, secured from the public domain—were in the shape of railroad selections to fill old railroad grants.

Now, compare this with Oklahoma. I am not doing this for the purpose of showing how much richer one country is than the other. I am not doing it for the purpose of casting a slur upon one country, to discriminate against it. I am simply calling attention to it for the purpose of showing the character of the two countries, in order to show that while the proposed State of Arizona has a great area superficially, yet in the matter of agricultural resources, mining, and everything else it is, after all, a country of limited area and will be a country of limited population.

In Oklahoma in 1903 there were 1,544,313 acres entered as original homesteads by 10,268 homestead settlers, and in 1904 there were 1,500,000 acres entered as homesteads. So you can see that in the two years 1903 and 1904 there were over 3,000,000 acres entered there by actual homestead settlers, as against, during the same period, 400,000 acres in Arizona and 800,000 acres in New Mexico.

So if you measure it by the land-office entries, by the lands entered and purchased from the Government, by the original homesteads made, you will find that the lands entered and the

homesteads taken in the two great Territories of Arizona and New Mexico do not equal half of what during the same period was entered in the little Territory of Oklahoma.

The reason of this scant settlement is the lack of rain. It is an arid country. As I said a moment ago, most of the land is an arid and desert plain, though there are valleys among the mountains, and it is the impossibility of irrigating those lands which more than anything else has retarded their settlement.

As to Arizona, I wish to call the Senators' attention to another fact, and that is with respect to the character of the lands reserved and put into a state of reservation. In Arizona there are 6,740,410 acres in forest reserves to-day, and 3,325,000 acres have been reserved for reclamation or irrigation purposes, showing a total of a little over 10,000,000 acres which have been reserved for forest purposes and for irrigation purposes.

In New Mexico there are to-day 3,257,920 acres of forest reserves and 834,000 acres of land reserved for irrigation or reclamation purposes. In Arizona 10,000,000 acres have been reserved for those purposes, and in New Mexico 4,000,000.

Now when we come to irrigation—and I wish to say to Senators that irrigation and the possibilities of irrigation more than anything else measure the capacity of these Territories for settlement, enlargement, and improvement—I have here a letter from Mr. Walcott, Director of the Geological Survey, which shows that the total amount of land now under irrigation in New Mexico is 254,945 acres, and he states in his letter that at the outside there are possibly 300,000 acres more that can be irrigated. In other words, the total area of land in New Mexico irrigated or possible of irrigation in the near future is only 554,945 acres. In Arizona Mr. Walcott states there are 247,252 acres now under irrigation, and that the extreme limit of irrigation in that Territory will be about 500,000 acres more, making a total in that Territory of land irrigated and possible of irrigation of 747,252 acres.

If we foot up the total in those two Territories we find that the total amount of land now under irrigation in the two Territories is 502,197 acres, and the total amount, according to the opinion of Mr. Walcott, possible of irrigation is about 800,000 acres more, making a total in the two Territories of land irrigated and possible of irrigation of 1,302,197 acres. Just think of that! The amount of land irrigated and possible of irrigation is less than 1 per cent of the total area of the two Territories. I will read Mr. Walcott's letter in this connection:

DEPARTMENT OF THE INTERIOR,
UNITED STATES GEOLOGICAL SURVEY,
Washington, D. C., December 21, 1904.

HON. KNUTE NELSON,
United States Senate, Washington, D. C.

SIR: I have received your favor of December 17, inquiring about irrigation in the Territories of New Mexico and Arizona.

In reply, I am inclosing table which will be printed in the forthcoming Census Report upon the acreage of irrigation in each drainage basin in these Territories. In addition to this, considerable development is possible in each Territory and will probably be carried out in the course of time by the Reclamation Service.

It is estimated that in New Mexico the irrigated acreage can be increased by 200,000 or 300,000 acres. A project has already been worked up for the use of the waters of the Rio Grande in Mesilla Valley. Investigations are in progress to determine the feasibility of irrigating considerable areas in the valleys of the Animas and La Plata in northern New Mexico; some development is possible under the San Juan, considerable in the drainage of the Pecos, and perhaps some on the headwaters of the Little Colorado and Mimbres.

In Arizona the chief developments possible are on the Colorado River, where several hundred thousand acres will eventually be irrigated; in Salt River Valley under the Tonto reservoir now under construction; in the Gila Valley under the proposed San Carlos reservoir, and in the valley of the Little Colorado in northern Arizona. It is roughly estimated that the present irrigated acreage in Arizona can be increased by about 500,000 acres.

Very respectfully,

CHAS. D. WALCOTT, Director.

Following that are tables showing the number of farms and the number of acres that have been irrigated in New Mexico and Arizona, and I ask to have them incorporated with the letter in my remarks.

Irrigation in New Mexico, 1902.

Source of water supply.	Number of farms irrigated.	Number of acres irrigated.
All sources	9,285	254,945
Streams:		
Rio Grande and tributaries	5,023	93,105
Pecos River and tributaries	1,473	54,018
Canadian River and tributaries	1,430	54,375
San Juan River and tributaries	524	20,455
Gila River and tributaries	260	9,322
Cimarron River and tributaries	72	6,481
Independent streams	316	8,314
Trinchera Creek and tributaries	13	691
Other sources:		
Springs	108	3,072
Wells	76	2,112

Irrigation in Arizona, 1902.

Source of water supply.	Number of farms irrigated.	Number of acres irrigated.
All sources	3,867	247,250
Streams:		
Colorado River and tributaries, exclusive of Little Colorado River and tributaries	274	10,661
Little Colorado River and tributaries	456	11,778
Gila River and tributaries, exclusive of Salt River and tributaries	1,669	80,448
Salt River and tributaries	1,293	138,510
White River and tributaries	6	384
Other sources:		
Springs	41	1,061
Wells	128	4,110

I also have a letter from the Bureau of Forestry in the Agriculture Department showing the amount of forest reservations in these two Territories. I have already called the attention of the Senate to the acreage of the forest reserves, and I will now ask that this letter from the Bureau of Forestry in the Agriculture Department may be inserted in my remarks.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF FORESTRY,
Washington, December 31, 1904.

HON. KNUTE NELSON,
United States Senate.

DEAR SIR: In accordance with your request by telephone I am glad to give you the following information in reference to Federal forest reserves in the Territories of Arizona and New Mexico:

ARIZONA.	Acres.
San Francisco Mountains Forest Reserve, area	1,975,310
The total stand of merchantable timber, as estimated by the United States Geological Survey, is 2,743,558,000 feet B. M.	
Black Mesa Forest Reserve, area	1,658,880
Estimate of the standing timber (feet B. M., taken from other Government sources)	4,081,498,000
Prescott Forest Reserve, area (no estimate of standing timber)	423,680
Grand Canyon Forest Reserve, area (no estimate of standing timber)	1,851,520
Santa Rita Forest Reserve, area (no estimate of standing timber)	387,300
Santa Catalina Forest Reserve, area (no estimate of standing timber)	155,520
Mount Graham Forest Reserve, area (no estimate of standing timber)	118,000
Chiricahua Forest Reserve, area (no estimate of standing timber)	169,600
Total area	6,740,410

NEW MEXICO.	Acres.
Gila River Forest Reserve, area (no estimate of standing timber)	2,327,040
Pecos River Forest Reserve, area (no estimate of standing timber)	430,880
Lincoln Forest Reserve, area	500,000
Estimate of standing timber (feet B. M., taken from other Government sources)	336,335
Total area	3,257,920

I am exceedingly sorry that we have no more detailed information as to the stand of merchantable timber on these reserves.

Very truly, yours,

OVERTON W. PRICE, Acting Forester.

Mr. President, if you add the amount of land that is irrigated and that is possible of irrigation to the amount of forest reserves I think you will get a fair measurement of the land in the two Territories that is fit and can be utilized for agricultural and grazing purposes. The total amount of irrigated and possible of irrigation land in the two Territories is 1,302,197, and the total amount of forest reserves is 9,998,330, or a total of irrigated and possible of irrigation land and forest reserves of 11,300,527 acres.

Now, to my mind that covers, as I said, the agricultural and grazing resources of the country. They can only raise crops and carry on agriculture where they can irrigate. In some localities there are a few small farms in the forest reserves, but the forest reserves, in addition to the value of the timber, are valuable for grazing purposes and are more or less grazed on. The lack of water not only limits agriculture, but it limits grazing, for this reason: Cattle can not graze at any point, as I understand from testimony taken by the subcommittee, in Arizona, and from other information, or feed anywhere beyond five miles of reach of water. If an animal has to go five miles from its grazing ground to secure water to drink the round trip will be about ten miles a day, and that is the limit of the animal's capacity to secure food and water. As I said, grazing is as much limited as agriculture by the lack of water.

Taking the aggregate of these irrigated and possible of irrigation lands and forest reserves, a total of 11,300,527 acres, which is all that is possible for grazing and agricultural purposes, and it is equal to only one-half the area of the little Territory of Oklahoma.

So, you see, for agricultural purposes and for grazing purposes, for everything that pertains to industrial life in that country outside of mining, these two Territories combined have not a greater capacity than one-half of the little Territory of Oklahoma. It is just as though you took half of the little Territory of Oklahoma and planted it in all this big domain consisting of Arizona and New Mexico.

Mr. GALLINGER. Mr. President—

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from Minnesota yield to the Senator from New Hampshire?

Mr. NELSON. Certainly.

Mr. GALLINGER. I notice that the Senator in his very interesting statement has given us relatively the amount of land now irrigated and that is susceptible of irrigation in the two Territories separately.

Mr. NELSON. Yes.

Mr. GALLINGER. Has the Senator the figures showing relatively the forest reserves in the two Territories?

Mr. NELSON. I have, and I have given them.

Mr. GALLINGER. Did the Senator give them yesterday?

Mr. NELSON. No; I gave them a moment ago. I have a letter from the Bureau of Forestry in the Agriculture Department, which gives the matter in detail. It gives each forest reserve and the acreage of each.

Mr. GALLINGER. That will appear in the Senator's speech?

Mr. NELSON. It will appear in my remarks. A moment ago I gave the aggregate acreage of the forest reserves in the two Territories.

Mr. GALLINGER. But what I am seeking to ascertain, if the Senator will permit me, is not the aggregate in the two Territories, but the amount in each Territory.

Mr. NELSON. I have it separately. I have a statement of each Territory and the aggregate of both.

Mr. GALLINGER. I will look at the Senator's statement.

Mr. NELSON. You will find it in the letter of the Acting Chief of the Bureau of Forestry of the Agriculture Department. So I think it is authentic.

In this connection I desire to call the attention of the Senate to another matter touching Arizona and New Mexico. Aside from agriculture and grazing, the other leading industry of those two Territories is mining, and I wish to show you that there has been a limited progress even in that industry in those two Territories.

I will take Arizona. The production of copper in Arizona in 1900, according to the census, was 118,300,000 pounds; in 1901, 130,000,000 pounds, and in 1902, 119,000,000 pounds—I do not read the odd figures—and in 1903, the latest statistics available—and I may say that these mineral statistics are unlike our other statistics in that they are for the calendar and not for the fiscal year, and hence we have not the figures for the calendar year 1904—it was 147,000,000 pounds. So you see there has been comparatively slight increase in the production of copper, which is the chief mineral product of Arizona. It was less than a million pounds more in 1902 than in 1900.

If you come to gold, you will find that the production has been very limited. In Arizona, in 1900, the total production of gold—and this is in dollars and for the calendar year—was a little over \$4,000,000; in 1901, a little over \$4,000,000; in 1902, \$4,112,300, and in 1903, \$4,357,600. So you see within this period, from 1900 down to 1903, taking the calendar years, there has been about \$150,000 increase in the production of gold in that Territory. Gold mining has not been growing. There has been no expansion. It was in 1903 substantially where it was in 1900.

Coming to the production of silver, we see pretty much the same condition. The production of silver in 1900 was 2,995,000 ounces; in 1901, 2,812,000 ounces; showing a decrease, and in 1902, 3,043,000 ounces, a slight increase, and in 1903, 3,387,000 ounces, less than 400,000 ounces increase in the four-year period. It will be seen that both in respect of gold and silver the mining industry in Arizona has been practically at a standstill. In other words, it has not been in a progressive state.

Now, the other mineral product of Arizona is lead, and I find these to be the figures. I have not the figures for 1900, but I have the figures for 1901, 1902, and 1903. The production of lead in 1901 was 4,045 short tons. In 1902 it dropped down to 599 short tons, and in 1903 it was 1,493 short tons, showing that the mining of lead has dropped off immensely. It has diminished from 4,045 short tons in 1901 to 1,493 tons in 1903.

In addition to this I will give another industry in Arizona that is classed in the reports as a part of the mineral industry—the production of stones of various kinds. The total production of merchantable stones of various kinds in Arizona was \$110,910 in 1902 and \$531,135 in 1903. Arizona, according to the reports, produces no coal. So, practically, I have called the attention of

the Senate to the mineral productions of Arizona, at the head of the list of which is copper, next gold, next silver, next lead, and next merchantable stone.

Now, coming to New Mexico, the record is even poorer in the way of mining. Take the matter of the production of copper. The total amount of copper produced in New Mexico in 1900 was 4,169,000 pounds; in 1901, 9,629,000 pounds; in 1902, 6,614,000 pounds, and in 1903, 7,300,000 pounds, showing that the increase in the copper production of New Mexico has been quite slight, and that there has not been great progress made in that mining industry.

Coming to the matter of gold, we find that that is a limited resource of New Mexico. In 1900 there was only \$832,000 worth of gold produced; in 1901, \$688,000 worth of gold; in 1902, \$531,000 worth of gold, and in 1903, \$244,000 worth of gold. It will thus be seen that the mining of gold since 1900 has been gradually on the decrease, until in the calendar year 1903 it is only a little over one-fourth of what it was in 1900.

Coming to the production of silver, we find it is almost in the same condition in New Mexico as is that of gold. In 1900 there were 434,300 ounces of silver produced in New Mexico; in 1901, 563,400 ounces; in 1902, 457,200 ounces, and in 1903 only 180,700 ounces, showing a decrease from 1900 of the difference between 180,700 and 434,300. It will thus be seen that the silver-mining industry in that Territory is in a very feeble condition indeed.

Now, coming to the production of lead, New Mexico makes even a worse showing. I have not the figures for 1900, but I have the figures for 1901. New Mexico produced in 1901, 1,124 short tons; in 1902, only 741 short tons, and in 1903 only 613 short tons. It will thus be seen how that industry—the mining of lead—has been dwindling and dwindling.

I have not the figures as to the production of coal in New Mexico except for the years 1902 and 1903. The production of coal in 1902 was 1,048,763 short tons, and in 1903, 1,541,781 short tons, showing no great volume and no great increase in the production of coal in that Territory. Arizona, as far as the records show, produced no coal at all. The production of valuable and merchantable stones in New Mexico in 1902 was \$12,291, and in 1903, \$8,510.

I append hereto tables showing in detail the mineral production of these Territories during the years referred to and also showing the number of people employed in the various industries:

	1900.	1901.	1902.	1903.
COPPER.				
Arizona	<i>Pounds.</i> 118,317,764	<i>Pounds.</i> 130,778,611	<i>Pounds.</i> 119,944,944	<i>Pounds.</i> 147,648,271
New Mexico	4,169,400	9,629,884	6,614,961	7,300,832
Montana	270,738,489	229,870,415	288,903,820	271,555,854
Lake Superior	145,461,498	156,289,481	170,609,228	192,400,577
Total, United States	608,117,166	602,072,519	650,508,644	698,044,517
GOLD.				
Arizona	\$4,193,400	\$4,083,000	\$4,112,300	\$4,357,600
New Mexico	\$832,900	\$688,400	\$531,100	\$244,600
SILVER.				
Arizona	<i>Fine ounces.</i> 2,995,500	<i>Fine ounces.</i> 2,812,400	<i>Fine ounces.</i> 3,043,100	<i>Fine ounces.</i> 3,387,100
New Mexico	434,300	563,400	457,200	180,700
LEAD.				
Arizona	<i>Short tons.</i> 4,045	<i>Short tons.</i> 4,045	<i>Short tons.</i> 599	<i>Short tons.</i> 1,493
New Mexico	1,124	1,124	741	613
Colorado	73,295	73,295	51,893	45,554
Idaho	79,654	79,654	84,742	99,590
Utah	49,870	49,870	53,914	51,129
Total, United States		284,204	280,797	292,874
COAL.				
New Mexico			1,048,763	1,541,781
Arizona			None.	None.
STONE.				
Arizona			\$110,910	\$531,135
New Mexico			\$12,291	\$8,510

CENSUS, 1900.

Territory.	Men employed in—			Men employed in mining coal.		
	Mining.	Agriculture.	Stock raising.	1901.	1902.	1903.
Arizona	7,452	9,638	3,640	None.	None.	None.
New Mexico	4,019	18,019	7,772	2,478	1,849	1,789
Total	11,471	27,657	11,412			

Now, Mr. President, I have gone over these statistics for the purpose of showing that what is claimed in many quarters, that there has been a great growth, increase, and progress in these Territories, in the nature of the case can not be true. I have shown the limited amount of irrigation that has been accomplished; I have shown the volume of the forest reserves; I have shown the volume and extent of the mining industry in the two Territories, and all these combined go to show that there could not have been any very great growth or very great increase either in population or in the industrial development of those Territories within the last three or four years.

Mr. NEWLANDS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Nevada?

Mr. NELSON. Certainly.

Mr. NEWLANDS. I understand the Senator to state that whilst the area of Arizona and New Mexico is very large, yet the amount of cultivable land is very small, the amount of forest land is very small, and that the mineral resources are not developed to such an extent or are not developing to such an extent as to warrant the assumption that that vast territory will support a large population. I understood him to say that the forest land and the irrigable land in New Mexico and Arizona combined could be embraced in a State only one-half the size of Oklahoma, and I understand him to urge these facts as objections to separate statehood for each one of the Territories of Arizona and New Mexico.

Now, I ask the Senator, then, whether under these conditions, if according to his showing there is no immediate prospect of a sufficient population there, it would not be better to allow each of these Territories to remain in a Territorial condition until the increase in population and wealth shall justify the assumption of statehood?

If the Senator will pardon me just one moment further, I understand that the people of each of these Territories are opposed to joining together in statehood; that that is the overwhelming sentiment in Arizona; that it is the sentiment of the great majority of people in New Mexico, and that they would prefer to remain apart in their present Territorial condition rather than be joined together through the action of Congress in a common statehood.

I ask the Senator whether he would not in that view support the postponement of the consideration of this bill for the present, or to provide now, possibly, for statehood at some time in the future when each one of these Territories shall have reached such a population as in his judgment would entitle it to statehood—three or four hundred thousand people, or 500,000 people? I am told that the people of each one of these Territories would rather submit to a bill of that kind, taking effect in the future, when upon a census a population of four or five hundred thousand will be developed in each one of the Territories, rather than submit to a common statehood now.

Mr. NELSON. Mr. President, my information and views do not exactly coincide with what has been stated by the Senator from Nevada. Of course I have it only at second hand; I have not been in those Territories, but I will say very frankly to the Senator that my information is that a good, large majority of the people of New Mexico are in favor of joint statehood, while a majority of the people of Arizona are perhaps opposed to it. Whether this is true or whether the Senator's opinion is the correct one I am not prepared to say. But this is my view of the case—

Mr. NEWLANDS. Will the Senator permit me?

Mr. NELSON. I have not had a full opportunity to answer the Senator. This is the view I take of the case, that necessarily these Territories, or many of the people—the statesmen, at all events—residing in the Territories, will be continually pining and striving in the future as they have for years in the past for statehood.

Mr. HEYBURN. I ask the permission of the Senator at this time to call attention to an expression of the views of the people of New Mexico, covering a large percentage of that population. In this connection, with the permission of the Senator, I should like to have read some telegrams received to-day from representative men and bodies in New Mexico, expressing their wishes in this matter. If it does not interfere with the Senator I should like to have them read.

Mr. NELSON. I wish to say to the Senator that while I am always ready and willing to yield to a question and to answer it as far as I can, I think it is hardly fair to me, in the midst of my remarks, to ask that a lot of telegrams and letters shall be read and injected in my speech. I submit to the Senator if he thinks that is fair. I am willing to answer questions and give all the information at my command, but I submit that this is hardly fair. The Senator in his own time can stand up

and have all the telegrams, letters, and messages read. I see the Senator has a whole handful of them. Manifestly it would break in on my remarks and I hardly think it should be done. I want to be as courteous as any man can possibly be to my fellow-Senators, for they are always courteous to me, but I submit it is hardly fair to ask to inject all this stuff into the midst of my feeble remarks.

Mr. HEYBURN. I would not ask leave to interrupt the Senator for the purpose of injecting anything that was not immediately applicable to the statement made by the Senator that so far as he is advised a large proportion of the responsible citizenship of New Mexico desire statehood. However, I will await a subsequent time and present these matters, as the Senator suggests, in my own time.

Mr. NELSON. When the Senator from Idaho interrupted me I was about to say, in reply to the remarks of my friend the Senator from Nevada, that for years, as he knows, there has been a pining and a hungering in certain quarters, manifested in various forms, for these two Territories to become States. Indeed, if my friend from West Virginia [Mr. ELKINS] were here to-day he would bear witness to the fact that away back, years ago, when Mr. Blaine, I think, was Speaker of the House of Representatives and the Senator from West Virginia was a Delegate from that Territory, Congress came very near passing a bill creating New Mexico into a State. We all know that two years ago a supreme effort was made to create these two Territories into two States.

Now, Mr. President, I recognize the fact that to a greater or lesser extent the people of these Territories, or at all events certain classes of them, favor statehood. One class is composed of what I call, not in an odious sense, political promoters, and then there is another class, and I do not use the term in an odious sense—I do not intend that—who are industrial promoters. These two classes, one with a political scheme in view and the other with an industrial scheme in view, are always pining for statehood, because in the one case they hope to secure good offices with statehood, and in the other case because they expect to get local or State aid for their various industrial enterprises that they can not secure while the Territories are in a Territorial condition.

Mr. President, this demand will continue on behalf of these Territories in the future as it has in the past. Now, recognizing this demand, I think the best and happiest solution is to unite these two Territories, apparently vast—

Mr. FORAKER. Mr. President—

Mr. NELSON. Will the Senator excuse me? They are apparently vast in area, but substantially not vast, as I endeavored to make plain in my remarks, in resources or development. It is better to unite them into one State because they are both of the same character in reference to their resources and soil. It is an arid land, dependent on irrigation, and aside from what they can irrigate their other main resource is the mining industry. Where we have a country of that kind, so similar in its natural resources, let us unite them and make them into one State that will be at least somewhat respectable in numbers. It will give us at least a population of four hundred thousand, and by and by in the future in this vast area, when the irrigation system is completed, there may possibly be as many as a million people. I will now yield to the Senator from Ohio.

Mr. FORAKER. The question I was about to ask the Senator is a little out of place at this point in his remarks.

Mr. NELSON. We will try and put it in place.

Mr. FORAKER. If the Senator had permitted me to interrupt him when I asked him—and I am not complaining—the question I wanted to put is whether the Senator thought statehood would be of advantage to the industries of the Territory? I understood the Senator to say that there were two classes of people seeking statehood for these Territories, one political promoters and the other industrial promoters. The question I ask is whether the Senator thinks the industrial promoters are right in supposing that statehood will be of advantage to the industries of those Territories?

Mr. NELSON. In that connection I can only say to the Senator that in a certain measure they have a right to assume so. Take, for instance, the people who desire to build railroads or to exploit other enterprises. Under the Territorial organization now existing they are limited and hampered by the act of Congress. If they get a State government, they are cut loose from the controlling power of Congress, and if they succeed in controlling the State government they can secure either from the State or from local municipalities aid in promoting the railroad schemes and other industrial enterprises which they have in hand.

Now, I do not make these statements in any odious or invidious sense. I do not want to say that the men who have these

objects in view are dishonest or that they are actuated by a bad purpose, but I refer to the fact because I know the experience in my own State years ago. When our State was in its infancy we had saddled upon us a railroad debt of \$5,000,000, given for railroads that were graded in little sections, but never completed. Finally, after a long agony, the State of Minnesota, in order to maintain its credit, those bonds having gone into the hands of the innocent purchaser, after a period of twenty-five or thirty years, had to take up and settle those bonds, when with accumulated interest and all it amounted to over \$10,000,000. We had to settle it and we got nothing at all for it. That is a part of our experience in Minnesota. I think many of the Western States have had a similar experience, and such an experience is likely to occur here.

Now, I want to be fair. I admit that there are two sides to the question as to whether it is desirable for them to become a State or not. The ordinary taxpayer is a humble man, a poor citizen, who works a little farm and has no political ambition, no railroad scheme, nor any other great enterprise in hand. I think in respect to him it is far more desirable that these two Territories should remain in a Territorial condition, because the taxes and burdens of the Government would be less.

But in another sense there are a class of people who feel that their country can be developed more rapidly under a State than a Territorial government, and hence that early statehood is desirable. To these men and their enterprises early statehood may not only be desirable, but also of advantage. These men who have these purposes in view have not the free hand under a Territorial government that they would have under a State government.

Now, there is another matter.

Mr. NEWLANDS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Minnesota yield?

Mr. NELSON. It is well known that in the treaty by which we secured this territory from Mexico we agreed in time to make it into States, and sooner or later we shall have to do it. To my mind, no matter when it is done, I am as firmly convinced now that Arizona and New Mexico should be grouped into one single State as I was two years ago about the combination of Oklahoma and Indian Territory into one State. To my mind, no matter when it transpires, whether at this session of Congress or in the future, I think those Territories, so alike in many respects—in their resources, in their population, and everything else—ought to constitute one State. Except in the mere matter of acreage and area it would still be only a third or fourth rate State in the Union in resources and population.

Now I will hear the Senator from Nevada. I owe the Senator an apology for not stopping before.

Mr. NEWLANDS. In continuation of my former question, I should like to ask the Senator whether if he were satisfied that a majority of the people in each one of these Territories—the Territory of Arizona and the Territory of New Mexico—were opposed to joint statehood, would he then seek to impose, so far as Congress can, joint statehood upon them? I ask the Senator further, whether it would not be fair to consult each Territory, which thus far, for many years, has been a separate entity, as to its willingness to unite in joint statehood, and whether it is fair to the people of Arizona to subject them to an enabling act under which a large and overwhelming majority in New Mexico could subject them against the will of the majority of their people to joint statehood?

Mr. NELSON. Does the Senator concede that an overwhelming majority in New Mexico, as I understood him a moment ago to say, would reverse the action?

Mr. NEWLANDS. I do not; but there are dangers in this bill, and I will point them out to the Senator. There is a provision in the bill that \$5,000,000 shall be paid into the school fund of the State by the Federal Government. I can not measure the force of that inducement in an election, and I can not measure the force and strength of an additional gift to them of millions of acres of land. I do not believe that this bill is shaped in such a way as to get the calm, the deliberate, and the honest judgment of the people of those two Territories upon this question.

I appeal to the Senator whether it would not be a great deal better now to provide for the separate statehood of each one of these Territories and settle the question, conditioned upon each in the future increasing to a population of 500,000 people, to be determined by the next census. I am told that the people of each one of these two Territories would prefer such action in the place of the pending legislation; and if the Senator wishes to settle this question of statehood now it can be settled in such a way, and in a way that will entirely meet the Sena-

tor's contention with reference to the insufficiency of population. Mr. NELSON. Mr. President, I can not very well reply to the Senator categorically, for the reason that it was rather an argument he made than a question he asked.

Mr. NEWLANDS. I will simplify my question.

Mr. NELSON. It is very easy to answer questions; but when the Senator makes an argument, of course one can not answer it directly. It has to be met with another argument.

Mr. NEWLANDS. Mr. President—

Mr. NELSON. The tenor of my remarks has been and will be in direct opposition to the view of the Senator, and I want to say further to him—

Mr. NEWLANDS. Will the Senator permit me one question?

Mr. NELSON. Certainly.

Mr. NEWLANDS. I will put my question, then, in direct form. Would not the Senator favor an amendment to this bill providing that this common statehood shall be dependent upon a majority vote in each Territory? Would he not favor also settling the question of statehood for each Territory now conditioned upon each Territory increasing in the future to a population of 500,000 people as demonstrated by the next census; in other words, passing the enabling act for separate States now, but its effect to be conditioned on a showing of a population of 500,000 in each Territory at the next census?

Mr. NELSON. The Senator knows that I would not agree to that, because I joined the majority of the committee in favor of reporting this bill, and it expresses my sentiment.

I want to say to the Senator that if the assumption or statement he made a moment ago that the majority of the people in each of these Territories are opposed to joint statehood this will do them no harm. They can vote it down. Any constitution that is adopted by a constitutional convention has got to be submitted to the voters of the two Territories, and if the Senator is correct that a majority of both Territories are opposed to it, statehood will be defeated and they will not become States. But I say to the Senator again, and reiterate, that I am as well satisfied in my own mind that these two Territories now or at some time in the future ought to be united into one State as I was two years ago that Oklahoma and Indian Territory should be united into one State.

Now, I want to call attention to another matter bearing upon what I might call the ethnological side of this question. In the remarks which occurred yesterday between me and some Senators as to the character of the population in the two Territories, I intimated that about half of the population of New Mexico are what are commonly called Mexicans, while the people of Arizona are Americans, as we call them. As a matter of fact, I was partially incorrect in that statement. I am confident that half of the people of New Mexico may be termed Mexicans, what we ordinarily understand by that term, but I am also satisfied that there is a considerable percentage of what may be called Mexican people in Arizona. But now, when we unite the two Territories into one State, the so-called "American element" in New Mexico and Arizona will be absolutely dominating and controlling. They can control the fiscal, the industrial, and educational policy of the two Territories as one State.

Mr. SPOONER. The Mexicans can dominate?

Mr. NELSON. No; I mean the Americans. I mean that the American population of the two Territories, Arizona and New Mexico combined, will be in a large majority; that they will constitute nearly two-thirds of the population of the two Territories in the new State, and their influence, influence such as the Americans possess in all our growing, prosperous States, will be dominating and controlling, and control the policy and development of the future State. I think that will be a blessing to the Mexicans in New Mexico. I know in my own State we have a large foreign population, and to my mind it has been a great blessing to that foreign population that in our midst the dominating, controlling element has been composed of the best of what we call the American population of this country. Coming from the Eastern and Middle States out there and settling among the foreigners, they have helped to Americanize them and make them good loyal American citizens. They have been the great educator of those people, until the people of my State, as the people of the State of the Senator from Wisconsin [Mr. Spooner], have become thoroughly Americanized, although a large portion of the population in both States is foreign.

Now, what is the condition in New Mexico? I am not finding any fault with the New Mexicans, but their language is different, their religion is different in the main from that of most Americans, and their customs, their language, and everything is different. They are more backward and less progressive. I maintain that if those people can be surrounded and dominated by a strong American influence that will be controlling in the new State it will not only be a blessing to the United States, but it

will be a great blessing to those Mexican people and hasten the day of their complete Americanization.

I wish to call attention to a few matters more and then I will yield the floor. I wish to call the attention of the Senate to the school-land grant. This bill gives a grant of four sections to each township for educational purposes. That seems to be a large grant. It is twice as much as was given to nearly all the older States west of the Mississippi River. If I remember aright—I am not clear as to Iowa and Missouri—the other States had two sections. The first time we made an exception, giving four sections in every township to a new State, was in the case of Utah, on account of the sterile and arid character of the land. I think the character of the lands in Arizona and New Mexico is fully as poor and bad as in Utah, and is such that the grant will be of little value.

I have heard it estimated, and I think it is correct, that this school-land grant would not be worth in the aggregate over 50 cents an acre to-day. Some of it, when it has been reclaimed by irrigation, will be valuable, but in its present condition I think nobody could be found to purchase the entire grant, or any large portion of it, for a price exceeding 50 cents an acre.

Mr. BEVERIDGE. I will ask the Senator if it is not true that the irrigation law provides that when irrigation is successful this land may be withdrawn by the Secretary of the Interior?

Mr. NELSON. Certainly.

Mr. BEVERIDGE. So that these four sections might be withdrawn, leaving only arid land.

Mr. NELSON. This bill grants to the new State of Arizona four sections in each township, amounting to 16,725,248 acres. In addition to that, it gives 2,168,000 acres for various State institutions and State purposes, or an aggregate grant of 18,893,248. This seems an immense grant, but at 50 cents an acre—and I do not think it is worth any more—it would not amount to over \$10,000,000.

The school-land grant in Oklahoma, in round numbers, is a little over 2,000,000 acres. Those lands will bring in the aggregate not less than \$10 an acre, and that grant to-day of only 2,000,000 acres is of more actual and intrinsic value than this whole big land grant to Arizona. Some of it is merely grazing land; but I suppose the value of it to-day, at the lowest minimum price, taking it good and bad, is worth \$10 an acre, and some of it over \$10 an acre. The grant is estimated to be worth all the way from twenty to thirty million dollars in value. This grant in Arizona, in my honest opinion, is not worth over \$10,000,000 on account of the poor soil and arid climate. It is, Mr. President, because of the poor value of this land that we give those people in this bill \$5,000,000 for a school fund.

This vast acreage will not do the State any good until she can sell the land. It is only in case the land is merchantable and can be disposed of that the State gets any immediate fund for schools. This \$5,000,000 gives them a fund to start on; but, without that, for years and years they would have nearly no school fund at all, because only such portions of these school lands could be disposed of and converted into money to go into such a permanent school fund as could be reclaimed by irrigation. Hence you will see, Senators, if you will look at it calmly and aside from the mere question of acreage, which in this case, as in the other case I have discussed, is deceiving—if you will look at it outside the mere question of acreage, you will see there is a greater necessity for giving them \$5,000,000 in this case than there is even in the case of Oklahoma and Indian Territory. In that case it was given to make up a sort of equilibrium between the school-land grant in Oklahoma and the want of such a grant in the Indian Territory, while in this case, Mr. President, it is an absolute necessity because this grant will be a vanity of vanities, and give them in the near future very little money for school purposes. Without this \$5,000,000 they would be without a school fund, except as they may tax themselves for that purpose.

Mr. BEVERIDGE. Will the Senator permit me to interrupt him at that point?

Mr. NELSON. Certainly.

Mr. BEVERIDGE. I wish simply to say that not only is this true, but that the educational problem which confronts those people is more difficult than that which exists elsewhere, as will be patent to everybody from a review of the facts.

Mr. NELSON. The Senator is correct that the educational problem is more difficult there, for, if I remember correctly, the percentage of illiteracy in Arizona was 18 per cent, more than twice the average illiteracy that is found in any of the Northern States, and in New Mexico it is a great deal more than that—that is, in the Spanish and Mexican portion of New Mexico the illiteracy is at a very high rate. As the Senator has well said, they will need more than any other part of our coun-

try to develop the educational interests of the new State. In a few moments, Mr. President, I shall be done. I am gratified that the Senate has been so patient with me.

The constitutional convention is to consist of 110 delegates. We have in this bill made an amendment to the House bill fixing the number at 66 delegates for New Mexico and 44 for Arizona. On the basis of the census of 1900 this will give Arizona her full share, and I think about one delegate more.

Mr. BEVERIDGE. Does the Senator refer to the House bill?

Mr. NELSON. The House bill as amended by the committee.

Mr. BEVERIDGE. That was 70 for New Mexico and 40 for Arizona, I think.

Mr. NELSON. Yes; 70 to 40.

Mr. BEVERIDGE. One hundred and ten altogether.

Mr. NELSON. The provision was 70 to 40; but we have changed it a little, so as to make a fairer apportionment for Arizona. If I remember correctly, taking the census of 1900 as the basis, we gave Arizona the advantage by one delegate.

The bill as amended appropriates \$150,000 for the expenses of the constitutional convention. The capital of the new State will remain at Santa Fe until 1910. After that time it may be changed by a vote of the people of the State.

Oklahoma, I might say, has practically no debts. The floating debt of these two Territories does not amount to anything; but they have a bonded debt. According to the last figures I have been able to find, which are not far out of the way—I have not seen the last report of the governor of New Mexico, as it has not been printed—but according to the best information I can get, the permanent debt of Arizona is \$1,010,972, and that of New Mexico \$1,098,300. So that their debts are almost of a similar amount, a little over \$2,000,000 in the aggregate, which is the total debt the new State will assume, half of it coming from Arizona and half of it from New Mexico.

Mr. HEYBURN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Idaho?

Mr. NELSON. Certainly.

Mr. HEYBURN. Would not the apportionment of representation in the constitutional convention enable New Mexico to frame and adopt a constitution for Arizona without regard to her wishes or her rights in the matter? Would it not enable New Mexico in the constitutional convention to organize and control this proposed government; and would that be fair to Arizona?

Mr. NELSON. That might be true if the Senator assumes that all the delegates from New Mexico would pull together and work together as one man hostile to Arizona, but I take it, Mr. President, that when they come to elect members to the constitutional convention both Territories will endeavor to send their representative and their best men, as has always been done in the West; and when the delegates from these two Territories meet in the constitutional convention they will work as individuals—not by Territories, not like conference committees, but they will work together in harmony with that liberal spirit which actuates all American statesmen, high or low, to work together for the common good of the whole country.

Mr. PLATT of Connecticut. Mr. President—

Mr. NELSON. The thought that the people of New Mexico would attempt in any shape or manner, or that the delegates to that constitutional convention would in any manner repress or do anything unfair to the people of Arizona, is utterly contrary to my notion of the spirit of justice that actuates American citizens. I now yield to the Senator from Connecticut.

Mr. PLATT of Connecticut. The Senator from Minnesota has answered the question which I was about to ask him in advance of putting the question; that is, whether it was possible to assume that the delegates from New Mexico would attempt to do injustice to that portion of the State which is now Arizona.

Mr. NELSON. I do not want to assume that in reference to any class of public men in this country. I think that in New Mexico and in Arizona the delegates who will be sent to the constitutional convention will be actuated by that sense of justice which actuates us in this body, and which actuates all public men in America possessing the spirit of true American citizenship.

Mr. BATE. Will the Senator pardon me a moment?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Tennessee?

Mr. BATE. On that point I will ask the Senator if he does not think it will be in the power of New Mexico to combine, through such methods as may be pursued, all the delegates together, she having a majority of all the votes, so as to control the convention in her interests? I myself do not wish to see any such danger incurred.

Mr. NELSON. I want, in reply to the Senator, to say that it is a most violent assumption for him to suggest that all the delegates from New Mexico would be actuated by a spirit of injustice and would move in harmony as one in that spirit. Such a thing is possible, but we have no right to assume that it will occur.

In this connection, and upon this subject, I beg leave to call the attention of the Senate, as an illustration, to the spirit that prevails in this body. In this body to-day the Republicans largely preponderate. We have a majority; and yet outside of the few petty things that we call mere party politics, which do not oftentimes amount to anything, we are all actuated by a sense of justice. We do not call you Senators over on the other side "Arizonians" and call ourselves "New Mexicans." We all act as individual Senators, with a sense of justice, working for all parts of this country, so as to help them all. I know it has been my purpose in the Senate here to work as faithfully for the interests of my friends from the Southern States in the improvement of the Mississippi River, and in the improvement of their rivers and harbors, as for the improvement of the rivers and harbors in my own State. I have known no difference; and the same spirit which actuates us here we have a right to assume will actuate the people of New Mexico and the people of Arizona.

Mr. HEYBURN. If the Senator will permit me a moment there, is it not true that in the constitutional convention that was held in New Mexico fourteen years ago they repudiated by a direct vote a provision in their constitution requiring the English language to be taught in the public schools; and is it not true, according to the statement which I understood the Senator to make, that that element predominates in New Mexico; and that they could elect every delegate from that Territory to the constitutional convention of the faith which repudiated that plank, and thus control the convention?

Mr. NELSON. Perhaps the Senator is correct as to the fact regarding that plank of the constitutional convention of fourteen years ago. But if that be true, Mr. President, it only accentuates and emphasizes the argument I made a moment ago. If it be true that the people of New Mexico at that time, dominated by the Mexican element, took that course, we can be certainly assured that if we combine them to-day with Arizona, composed nearly altogether of Americans, such a thing can never happen. The American element, as I stated a moment ago, will be entirely dominant, and that element which fourteen or fifteen years ago engrafted such a provision on the constitution could not possibly engraft it under the provisions of this bill, because at least two-thirds of the two Territories combined will be what we may call "non-Mexicans"—they will be Americans.

Mr. BEVERIDGE. They never did that anyhow.

Mr. NELSON. But, assuming that they did, for the purposes of the argument, it makes no difference. If the danger exists to which the Senator from Idaho has called my attention, it merely demonstrates that under the provisions of this bill the occurrence of such a danger in the future is entirely removed, because the combination of the two States will utterly overcome the so-called "Mexican element."

But, Mr. President, I am aware that I have taken too much of the time of the Senate. I want to say this in conclusion: I take it that to-day—and I am very glad of it—a large majority of the people, both in Indian Territory and in Oklahoma, desire joint statehood. They have now come to see what was pointed out to them two years ago, the necessity and importance to their future welfare of being admitted into the Union as one State.

Mr. President, I am to-day as firmly convinced that Arizona and New Mexico, for the good of the people of those Territories, for the good of the Union, ought also to be united into one State as I was two years ago that Oklahoma and Indian Territory ought to be united. Whether or not my views to-day will prevail on this subject in this body I can not say; but, even if they do not, I feel confident that when the rank and file of the people, who do not compose the political and industrial promoters of the two Territories, come dispassionately to consider and discuss this question among themselves, their sober sense will lead them to the same conclusion as that to which the people of Oklahoma and Indian Territories have come.

Mr. BARD obtained the floor.

Mr. GALLINGER. Mr. President—

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from New Hampshire?

Mr. GALLINGER. I rise for the purpose of asking the Senator from California whether he is particularly desirous of going on this afternoon? There is a large mass of executive business that ought to be transacted, and, if it is agreeable to the Senator, I will move to go into executive session.

Mr. BARD. I am quite ready to proceed with the remarks I desire to make, but wish to accommodate myself to the convenience of the Senator and of the Senate. So I yield.

The PRESIDING OFFICER. Without objection, it is understood that the Senator from California [Mr. BARD] has the right to the floor to-morrow at 2 o'clock.

EXECUTIVE SESSION.

Mr. GALLINGER. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After ten minutes spent in executive session the doors were reopened.

STATEHOOD BILL.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 14749) to enable the people of Oklahoma and of the Indian Territory to form a constitution and State government and be admitted into the Union on an equal footing with the original States; and to enable the people of New Mexico and of Arizona to form a constitution and State government and be admitted into the Union on an equal footing with the original States.

Mr. WARREN. Mr. President, I ask unanimous consent to call up—

Mr. BEVERIDGE. That is not what you asked.

Mr. NELSON. I ask unanimous consent that the Territorial bill be temporarily laid aside.

The PRESIDING OFFICER. Without objection, that will be taken as the sense of the Senate.

Mr. BEVERIDGE. The Senator from Wyoming may ask unanimous consent that the statehood bill be temporarily laid aside.

The PRESIDING OFFICER. Without objection, the request of the Senator from Minnesota will be taken as the sense of the Senate, and the Territorial bill will be temporarily laid aside. The Senator from Wyoming [Mr. WARREN] wishes to submit a request.

Mr. WARREN. I was about to ask unanimous consent to have the unfinished business temporarily laid aside—

Mr. BEVERIDGE. There will be no objection to that request, that the unfinished business be temporarily laid aside in order that the reading of the bill which the Senator from Wyoming has in charge may be proceeded with.

The PRESIDING OFFICER. That order has already been made by the Senate.

Mr. BEVERIDGE. Yes; provided he gets consent.

Mr. PLATT of Connecticut. Mr. President, I do not think we ought to have a bill laid aside by unanimous consent when that request includes the proposition to have another bill read. I have no objection to laying aside the unfinished business. That is all the request ought to contain.

The PRESIDING OFFICER. The Chair stated the request of the Senator from Minnesota. He asked unanimous consent that the statehood bill be temporarily laid aside.

Mr. PLATT of Connecticut. There is no objection to that.

Mr. BEVERIDGE. There is no objection to that being done.

The PRESIDING OFFICER. That action has already been taken. The Chair now recognizes the junior Senator from Wyoming.

OMNIBUS CLAIMS BILL.

Mr. WARREN. I ask unanimous consent that the bill (H. R. 9548) for the allowance of certain claims for stores and supplies reported by the Court of Claims under the provisions of the act approved March 3, 1883, and commonly known as the "Bowman Act," may be taken up for the purpose of being read.

The PRESIDING OFFICER. The Senator from Wyoming asks unanimous consent that the Senate proceed with the reading of the bill indicated by him. Is there objection?

Mr. CLAY. Is it not true that that bill just came in yesterday? We have not yet had time to examine it.

Mr. BEVERIDGE. All that is to be done to-day is to read it.

Mr. WARREN. I will say to the Senator that it is not my desire to carry the bill to passage or other consideration than that of reading.

Mr. CLAY. Then I have no objection.

Mr. BEVERIDGE. I understand that the Senator's desire is to begin the reading of the bill for the information of the Senate.

Mr. CLAY. That is all right.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment.

The Secretary proceeded to read the bill and the amendment, and continued to the top of page 195.

Mr. BEVERIDGE. I move that the Senate adjourn.

Mr. WARREN. Before the motion to adjourn is put I wish to state that I regret we can not finish the reading of the bill to-night. It is nearly completed. While I will not now ask for unanimous consent for further consideration at some future time, I wish to give notice that I shall improve the first opportunity, of course subject to the pending measures, to call up this bill, either morning or evening, and to finish its consideration.

The PRESIDING OFFICER (Mr. CLAY in the chair). The question is on the motion of the Senator from Indiana that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate adjourned until to-morrow, Friday, January 6, 1905, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 5, 1905.

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

Lieut. Col. Edward B. Pratt, Fifteenth Infantry, to be colonel, December 16, 1904, vice O'Connell, Thirtieth Infantry, retired from active service.

Maj. Arthur Williams, Third Infantry, to be lieutenant-colonel, December 16, 1904, vice Pratt, Fifteenth Infantry, promoted.

Capt. Willson Y. Stamper, Eighth Infantry, to be major, December 16, 1904, vice Williams, Third Infantry, promoted.

First Lieut. Harry E. Knight, First Infantry, to be captain, December 16, 1904, vice Davison, Fifth Infantry, retired from active service.

First Lieut. Campbell E. Babcock, Seventh Infantry, to be captain, December 16, 1904, vice Stamper, Eighth Infantry, promoted.

Second Lieut. Elliot Caziarc, Eighth Infantry, to be first lieutenant, December 16, 1904, vice Knight, First Infantry, promoted.

Second Lieut. Carl C. Jones, Third Infantry, to be first lieutenant, December 16, 1904, vice Babcock, Seventh Infantry, promoted.

To be captains.

First Lieut. Daniel F. Keller, Thirtieth Infantry, December 30, 1904, vice Patten, Fourteenth Infantry, retired from active service.

First Lieut. Archie J. Harris, Second Infantry, December 30, 1904, vice Nixon, Second Infantry, detailed as quartermaster.

First Lieut. Alexander J. Macnab, Second Infantry, December 31, 1904, vice Phillips, Twenty-seventh Infantry, dismissed.

To be first lieutenants.

Second Lieut. Alfred J. Booth, Second Infantry, December 30, 1904, vice Keller, Thirtieth Infantry, promoted.

Second Lieut. Emery T. Smith, Ninth Infantry, December 30, 1904, vice Harris, Second Infantry, promoted.

CAVALRY ARM.

Second Lieut. Robert W. Reynolds, Thirteenth Cavalry, to be first lieutenant, December 17, 1904, vice McNally, Third Cavalry, detailed in the Signal Corps.

ARTILLERY CORPS.

To be captain.

First Lieut. Francis N. Cooke, Artillery Corps, January 1, 1905, vice Nicholls, detailed in the Ordnance Department.

To be first lieutenants.

Second Lieut. James Totten, Artillery Corps, January 1, 1905, vice Cooke, promoted.

Second Lieut. Frank T. Hines, Artillery Corps, to be first lieutenant, December 17, 1904, vice Buck, detailed in the Signal Corps.

APPOINTMENT, BY TRANSFER, IN THE ARMY.

Cavalry Arm.

Second Lieut. William C. F. Nicholson, Twenty-first Infantry, from the Infantry Arm to the Cavalry Arm, with rank from September 1, 1904.

TO BE PLACED ON THE RETIRED LIST OF THE ARMY.

With the rank of brigadier-general.

Col. John J. O'Connell, retired, with rank from December 16, 1904.

With the rank of major from April 23, 1904.

Capt. Robert W. Shufeldt, retired.

With the rank of brigadier-general from the respective dates upon which they shall be retired from active service.

Col. Charles Smart, assistant surgeon-general.

Col. Charles Shaler, Ordnance Department.

APPOINTMENT IN THE NAVY.

Judson L. Taylor, a citizen of Texas, to be an assistant surgeon in the Navy, from the 17th day of December, 1904, to fill a vacancy existing in that grade on that date.

PROMOTIONS IN THE MARINE CORPS.

Lieut. Col. Charles H. Lauchheimer, assistant adjutant and inspector of the Marine Corps, to be adjutant and inspector of the Marine Corps, with the rank of colonel, from the 15th day of December, 1904, vice Col. George C. Reid, adjutant and inspector, retired.

Capt. Albert S. McLemore, United States Marine Corps, to be assistant adjutant and inspector in the Marine Corps, with the rank of major, from the 15th day of December, 1904, to fill a vacancy existing in that grade on that date.

PROMOTIONS IN THE NAVY.

Lieut. (Junior Grade) David C. Hanrahan to be a lieutenant in the Navy, from the 1st day of July, 1904, vice Lieut. Lay H. Everhart, retired.

Lieut. Commander Theodore F. Burgdorff to be a commander in the Navy, from the 30th day of September, 1904, vice Commander Newton E. Mason, promoted.

Rear-Admiral George A. Converse, United States Navy, to be Chief of the Bureau of Navigation in the Department of the Navy, with the rank of rear-admiral, for a term of four years.

Capt. Newton E. Mason, United States Navy, to be Chief of the Bureau of Ordnance in the Department of the Navy, with the rank of rear-admiral, for a term of four years.

Commander Samuel W. B. Diehl, United States Navy, to be Judge-Advocate-General of the Navy, with the rank of captain in the Navy, for a term of four years.

Lieut. George W. Kline to be a lieutenant-commander in the Navy, from the 13th day of September, 1904, vice Lieut. Commander James T. Smith, promoted.

Lieut. Commander Templin M. Potts to be commander in the Navy, from the 8th day of November, 1904, vice Commander Charles G. Bowman, promoted.

Lieut. Charles M. McCormick to be a lieutenant-commander in the Navy, from the 18th day of December, 1904, vice Lieut. Commander William Truxtun, retired.

Capt. Joseph E. Craig to be a rear-admiral in the Navy, from the 28th day of December, 1904, vice Rear-Admiral Silas W. Terry, retired.

Lieuts. William W. Gilmer, Robert E. Coontz, William H. G. Bullard, and Harold K. Hines to be lieutenant-commanders in the Navy, from the 1st day of January, 1905, to fill vacancies created in that grade by the act of Congress approved March 3, 1903.

Lieut. (Junior Grade) William S. Miller to be a lieutenant in the Navy, from the 1st day of January, 1905, vice Lieut. William W. Gilmer, promoted.

Lieut. (Junior Grade) Cyrus W. Cole to be a lieutenant in the Navy, from the 1st day of January, 1905, vice Lieut. Robert E. Coontz, promoted.

Lieut. (Junior Grade) Lloyd S. Shapley to be a lieutenant in the Navy, from the 1st day of January, 1905, vice Lieut. Webster A. Edgar, promoted.

Lieut. (Junior Grade) William R. Sayles, jr., to be a lieutenant in the Navy, from the 1st day of January, 1905, vice Lieut. Philip Andrews, promoted.

Lieut. (Junior Grade) John W. Greenslade to be a lieutenant in the Navy, from the 1st day of January, 1905, vice Lieut. Harold K. Hines, promoted.

Lieuts. (Junior Grade) Charles E. Courtney and James H. Tomb to be lieutenants in the Navy, from the 1st day of January, 1905, to fill vacancies created in that grade by the act of Congress approved March 3, 1903.

Midshipmen to be ensigns.

Henry G. S. Wallace.

Horace S. Klyce.

Frank W. Sterling.

Emory S. Land.

Franklin W. Osburn, jr.

Gilford Darst.

Roe R. Adams.

Semmes Read.

Edwin G. Kintner.

Harry A. Baldrige.

William L. Pryor.

James Reed, jr.

George J. Meyers.
 James P. Murdock.
 Edward J. Marquart.
 Andrew A. Peterson.
 Leroy Brooks, jr.
 Donald C. Bingham.
 Robert Wallace, jr.
 Ralph M. Griswold.
 William W. Smith.
 Francis S. Whitten.
 Thomas L. Ozburn.
 Lewis B. Porterfield.
 Walter G. Diman.
 Frank C. Martin.
 Ralph P. Craft.
 Adolphus Staton.
 David A. Weaver.
 Neil E. Nichols.
 James A. Campbell, jr.
 Otto C. Dowling.
 Julius C. Townsend.
 Wilson Brown, jr.
 Robert Henderson.
 William T. Conn, jr.
 John H. Blackburn.
 Frank B. Freyer.
 Roscoe C. Davis.
 Earl P. Finney.
 William D. Puleston.
 Charles S. Kerrick.
 George P. Brown.
 James O. Richardson.
 Harold D. Childs.
 Gilbert J. Rowcliff.
 James P. Lannon.
 Richard Wainwright, jr.
 Charles W. Early.
 Edward C. S. Parker.
 Joseph O. Fisher.
 Carlos Bean.
 Oscar F. Cooper.
 Kirby B. Crittenden.
 Merritt S. Corning.
 William J. Moses.

NAVAL OFFICER OF CUSTOMS.

Walter T. Merrick, of Pennsylvania, to be naval officer of customs in the district of Philadelphia, in the State of Pennsylvania. (Reappointment.)

DISTRICT JUDGE.

James Wickersham, of Alaska, to be judge of the district court of the district of Alaska, and assign him to division No. 3, to which position he was reappointed during the last recess of the Senate.

MARSHAL.

J. E. B. Stuart, of Virginia, to be United States marshal for the eastern district of Virginia, vice Morgan Treat, resigned.

CONSUL.

Samuel S. Knabenshue, of Ohio, to be consul of the United States at Belfast, Ireland, vice William W. Touvelle, resigned.

ASSISTANT AGENT FOR SALMON FISHERIES.

John N. Cobb, of Pennsylvania, who was appointed July 1, 1904, during the recess of the Senate, to be assistant agent for the protection of the salmon fisheries of Alaska in the Department of Commerce and Labor.

COLLECTOR OF INTERNAL REVENUE.

Henry M. Rose, of Michigan, to be collector of internal revenue for the fourth district of Michigan, to succeed Samuel M. Lemon, resigned.

REGISTERS OF LAND OFFICES.

Bryson P. Blair, of Colorado, to be register of the land office at Montrose, Colo., vice David R. Crosby, deceased.

Lon E. Foote, of Colorado, to be register of the land office at Hugo, Colo., his term having expired May 24, 1904. (Reappointment.)

Herman A. Hildebrandt, of South Dakota, to be register of the land office at Watertown, S. Dak., vice Lee Stover, resigned.

RECEIVER OF PUBLIC MONEYS.

Charles J. Greene, of Louisiana, to be receiver of public moneys at Natchitoches, La., his term having expired January 17, 1904. Reappointment.

PROFESSOR OF MATHEMATICS IN THE NAVY.

Lieut. Commander Harry McL. P. Huse, to be a professor of mathematics in the Navy, with the rank of commander, to rank next after Professor of Mathematics Aaron N. Skinner, and to be an extra number in the corps of professors of mathematics in accordance with the provisions of an act of Congress approved April 27, 1904.

CHIEF OF BUREAU OF MANUFACTURES.

J. Hampton Moore, of Pennsylvania, to be Chief of Bureau of Manufactures, Department of Commerce and Labor.

APPOINTMENTS IN THE PUBLIC HEALTH AND MARINE-HOSPITAL SERVICE.

Eugene H. Mullan, of Maryland, to be an assistant surgeon in the Public Health and Marine-Hospital Service of the United States.

Wade Hampton Frost, of Virginia, to be an assistant surgeon in the Public Health and Marine-Hospital Service of the United States.

MEMBERS OF EXECUTIVE COUNCIL OF PORTO RICO.

Rafael Del Valle, of Porto Rico, to be a member of the executive council of Porto Rico for a term of four years, vice Jose Guzman Benitez, whose term has expired.

Luis Sanchez Morales, of Porto Rico, to be a member of the executive council of Porto Rico for a term of four years, vice Jose Gomez Brioso, whose term has expired.

COMMISSIONER OF THE INTERIOR OF PORTO RICO.

John Stuart Elliot, of Porto Rico, to be commissioner of the interior of Porto Rico, vice William H. Elliott, term expired.

POSTMASTERS.

ALABAMA.

Harvey E. Berkstresser to be postmaster at Dadeville, in the county of Tallapoosa and State of Alabama. Office became Presidential January 1, 1905.

Ralph G. Green to be postmaster at Bay Minette, in the county of Baldwin and State of Alabama. Office became Presidential January 1, 1905.

CALIFORNIA.

Horace E. Allatt to be postmaster at Imperial, in the county of San Diego and State of California. Office became Presidential January 1, 1905.

William Bradford to be postmaster at Hemet, in the county of Riverside and State of California. Office became Presidential January 1, 1905.

Edmund L. Brown to be postmaster at Fernando, in the county of Los Angeles and State of California. Office became Presidential January 1, 1904.

William S. Collins to be postmaster at Loyalton, in the county of Sierra and State of California. Office became Presidential October 1, 1904.

Samuel G. Watts to be postmaster at East Auburn, in the county of Placer and State of California. Office became Presidential October 1, 1904.

COLORADO.

George W. Summers to be postmaster at Gunnison, in the county of Gunnison and State of Colorado, in place of George W. Summers. Incumbent's commission expires January 16, 1905.

CONNECTICUT.

Judson D. Foote to be postmaster at Montowese, in the county of New Haven and State of Connecticut. Office became Presidential January 1, 1905.

William E. Gates to be postmaster at Glastonbury, in the county of Hartford and State of Connecticut, in place of William E. Gates. Incumbent's commission expired June 5, 1904.

Tudor Gowdy to be postmaster at Thompsonville, in the county of Hartford and State of Connecticut, in place of Tudor Gowdy. Incumbent's commission expired January 10, 1902.

FLORIDA.

John B. Leffingwell to be postmaster at Bradentown, late Braiden Town, in the county of Manatee and State of Florida, in place of John B. Leffingwell, to change name of office.

GEORGIA.

Clark Grier to be postmaster at Dublin, in the county of Laurens and State of Georgia, in place of Clark Grier. Incumbent's commission expired June 5, 1904.

HAWAII.

Arthur Waal to be postmaster at Lahaina, in the county of Maui Island, Hawaii, in place of Arthur Waal. Incumbent's commission expired December 20, 1904.

ILLINOIS.

Jennie M. De Roo to be postmaster at Fort Sheridan, in the county of Lake and State of Illinois. Office became Presidential October 1, 1901.

Samuel S. Irwin to be postmaster at Rankin, in the county of Vermilion and State of Illinois. Office became Presidential January 1, 1905.

William M. McDonald to be postmaster at Chandlerville, in the county of Cass and State of Illinois. Office became Presidential January 1, 1905.

Leander W. Niles to be postmaster at Bethany, in the county of Moultrie and State of Illinois. Office became Presidential January 1, 1905.

Darius B. Reid to be postmaster at Georgetown, in the county of Vermilion and State of Illinois. Office became Presidential January 1, 1905.

INDIANA.

Caleb W. Barker to be postmaster at Francesville, in the county of Pulaski and State of Indiana. Office became Presidential July 1, 1904.

Charles D. Davidson to be postmaster at Whiting, in the county of Lake and State of Indiana, in place of Charles D. Davidson. Incumbent's commission expires January 16, 1905.

Isaac F. Lawshe to be postmaster at Swayzee, in the county of Grant and State of Indiana. Office became Presidential January 1, 1905.

Charles McGaughey to be postmaster at Roachdale, in the county of Putnam and State of Indiana. Office became Presidential January 1, 1905.

John W. Morrow to be postmaster at Hebron, in the county of Porter and State of Indiana. Office became Presidential January 1, 1905.

James M. Ranstead to be postmaster at Bremen, in the county of Marshall and State of Indiana, in place of James M. Ranstead. Incumbent's commission expires January 16, 1905.

John P. Russell to be postmaster at Kewanna, in the county of Fulton and State of Indiana. Office became Presidential October 1, 1904.

INDIAN TERRITORY.

Robert A. Diggs to be postmaster at Lindsay, in district 17, Ind. T. Office became Presidential January 1, 1905.

Rena Winnett to be postmaster at Krebs, district 15, Ind. T. Office became Presidential October 1, 1904.

IOWA.

Bert C. Ellsworth to be postmaster at Kanawha, in the county of Hancock and State of Iowa. Office became Presidential January 1, 1905.

N. C. Kitchell to be postmaster at Mason City, in the county of Cerro Gordo and State of Iowa, in place of Joseph A. Farrell. Incumbent's commission expired December 20, 1904.

James Schroeder to be postmaster at Guttenberg, in the county of Clayton and State of Iowa, in place of James Schroeder. Incumbent's commission expired December 20, 1904.

Eugene Stiles to be postmaster at Sidney, in the county of Fremont and State of Iowa, in place of John R. McKee, resigned.

Edgar O. Winter to be postmaster at Redfield, in the county of Dallas and State of Iowa. Office became Presidential January 1, 1905.

KANSAS.

Frank W. Elliott to be postmaster at Edna, in the county of Labette and State of Kansas. Office became Presidential January 1, 1905.

James R. Hillhouse to be postmaster at Delphos, in the county of Ottawa and State of Kansas. Office became Presidential January 1, 1905.

William A. Hillhouse to be postmaster at Glasco, in the county of Cloud and State of Kansas. Office became Presidential January 1, 1905.

Floyd E. Richmond to be postmaster at Logan, in the county of Phillips and State of Kansas. Office became Presidential January 1, 1905.

Charles C. Wilson to be postmaster at Scandia, in the county of Republic and State of Kansas. Office became Presidential January 1, 1905.

KENTUCKY.

Homer B. Bryson to be postmaster at Carlisle, in the county of Nicholas and State of Kentucky, in place of Homer B. Bryson. Incumbent's commission expired May 28, 1904.

MARYLAND.

William Hall Harris to be postmaster at Baltimore, in the county of Baltimore and State of Maryland, in place of S. Davies Warfield. Incumbent's commission expired January 15, 1904.

MASSACHUSETTS.

Wilbur F. Whitney to be postmaster at South Ashburnham, in the county of Worcester and State of Massachusetts, in place of Wilbur F. Whitney. Incumbent's commission expires January 31, 1905.

MICHIGAN.

Carl M. Lund to be postmaster at Harrisville, in the county of Alcona and State of Michigan. Office became Presidential January 1, 1905.

MINNESOTA.

Frank E. Bardwell to be postmaster at Excelsior, in the county of Hennepin and State of Minnesota, in place of Frank E. Bardwell. Incumbent's commission expired December 20, 1904.

Theodore G. Fasten to be postmaster at Scanlon, in the county of Carlton and State of Minnesota. Office became Presidential January 1, 1905.

M. Miller Severns to be postmaster at West Concord, in the county of Dodge and State of Minnesota. Office became Presidential January 1, 1905.

MISSISSIPPI.

James W. Bell to be postmaster at Pontotoc, in the county of Pontotoc and State of Mississippi. Office became Presidential January 1, 1905.

Edwin W. Cabaniss to be postmaster at Clinton, in the county of Hinds and State of Mississippi. Office became Presidential January 1, 1905.

Robert S. Golden to be postmaster at Hollandale, in the county of Washington and State of Mississippi. Office became Presidential January 1, 1905.

Robert W. Hinton to be postmaster at Lumberton, in the county of Lamar and State of Mississippi, in place of Robert W. Hinton. Incumbent's commission expires January 16, 1905.

Rosa Mayers to be postmaster at Shelby, in the county of Bolivar and State of Mississippi. Office became Presidential January 1, 1904.

Robert C. Sharbrough to be postmaster at McHenry, in the county of Harrison and State of Mississippi. Office became Presidential July 1, 1904.

Alma Stephens to be postmaster at Shaw, in the county of Bolivar and State of Mississippi. Office became Presidential January 1, 1905.

Alexander Yates to be postmaster at Utica, in the county of Hinds and State of Mississippi. Office became Presidential January 1, 1905.

MISSOURI.

Godfrey Haldiman to be postmaster at California, in the county of Moniteau and State of Missouri, in place of Godfrey Haldiman. Incumbent's commission expired April 27, 1904.

J. A. Knowles to be postmaster at Flat River, in the county of St. Francois and State of Missouri, in place of James L. Darling, resigned.

Solomon R. McKay to be postmaster at Troy, in the county of Lincoln and State of Missouri, in place of Solomon R. McKay. Incumbent's commission expires January 16, 1905.

Benjamin C. Nichols to be postmaster at Trenton, in the county of Grundy and State of Missouri, in place of Charles D. Morris, resigned.

MONTANA.

George W. Padbury to be postmaster at Marysville, in the county of Lewis and Clarke and State of Montana. Office became Presidential October 1, 1904.

NEBRASKA.

John G. Gannon to be postmaster at Pender, in the county of Thurston and State of Nebraska, in place of Melcher Emmington, resigned.

NEW JERSEY.

Reuben Abel to be postmaster at Bernardsville, in the county of Somerset and State of New Jersey, in place of Reuben Abel. Incumbent's commission expired December 20, 1904.

Samuel Gordon to be postmaster at South River, in the county of Middlesex and State of New Jersey, in place of Charles Whitehead. Incumbent's commission expired December 20, 1904.

William H. Kuhlthau to be postmaster at Milltown, in the county of Middlesex and State of New Jersey. Office became Presidential January 1, 1905.

NEW YORK.

John Borup to be postmaster at Tuckahoe, in the county of Westchester and State of New York, in place of Richard G. Bennett. Incumbent's commission expired December 20, 1904.

Peter Dahl to be postmaster at Tonawanda, in the county of Erie and State of New York, in place of John G. Wallenmeier, jr., resigned.

Isaac Decker to be postmaster at Williamson, in the county of Wayne and State of New York. Office became Presidential January 1, 1905.

Frank A. Frost to be postmaster at Watkins, in the county of Schuyler and State of New York, in place of Levi M. Gano, deceased.

Fred A. Green to be postmaster at Copenhagen, in the county of Lewis and State of New York. Office became Presidential January 1, 1905.

Christopher B. Morgan to be postmaster at Aurora, in the county of Cayuga and State of New York. Office became Presidential January 1, 1905.

Hiro J. Settle to be postmaster at Ballston Spa, in the county of Saratoga and State of New York, in place of Frank Jones, deceased.

George J. Skinner to be postmaster at Camden, in the county of Oneida and State of New York, in place of Andrew W. Craig. Incumbent's commission expired February 9, 1903.

Hattie A. Walker to be postmaster at Bergen, in the county of Genesee and State of New York. Office became Presidential January 1, 1905.

NORTH CAROLINA.

Jesse F. Walsh to be postmaster at Elkin, in the county of Surry and State of North Carolina. Office became Presidential January 1, 1905.

NORTH DAKOTA.

Philip K. Eastman to be postmaster at Wilton, in the county of McLean and State of North Dakota. Office became Presidential January 1, 1905.

Charles H. Lee to be postmaster at Walhalla, in the county of Pembina and State of North Dakota. Office became Presidential July 1, 1904.

OHIO.

Peter Cranker to be postmaster at West Toledo, in the county of Lucas and State of Ohio. Office became Presidential January 1, 1905.

Willis E. Payne to be postmaster at Ashville, in the county of Pickaway and State of Ohio. Office became Presidential January 1, 1905.

Granville W. Springer to be postmaster at Crooksville, in the county of Perry and State of Ohio, in place of John G. Burley, resigned.

Alva G. Sutton to be postmaster at Attica, in the county of Seneca and State of Ohio. Office became Presidential October 1, 1904.

Edward L. Watts to be postmaster at Peebles, in the county of Adams and State of Ohio. Office became Presidential January 1, 1905.

OKLAHOMA.

George S. Bailey to be postmaster at Snyder, in the county of Kiowa and Territory of Oklahoma. Office became Presidential July 1, 1904.

William T. Barrett to be postmaster at Carmen, in the county of Woods and Territory of Oklahoma. Office became Presidential July 1, 1904.

Frank H. McCormick to be postmaster at Clinton, in the county of Custer and Territory of Oklahoma. Office became Presidential October 1, 1904.

William Thomas to be postmaster at Thomas, in the county of Custer and Territory of Oklahoma. Office became Presidential July 1, 1904.

OREGON.

John Hahn to be postmaster at Astoria, in the county of Clatsop and State of Oregon, in place of Grenville Reed. Incumbent's commission expired December 20, 1904.

John F. Reisacher to be postmaster at Condon, in the county of Gilliam and State of Oregon. Office became Presidential January 1, 1905.

Edward B. Waters to be postmaster at Burns, in the county of Harney and State of Oregon, in place of Edward B. Waters. Incumbent's commission expired May 28, 1904.

PENNSYLVANIA.

Christmas E. Fitch to be postmaster at Wampum, in the county of Lawrence and State of Pennsylvania. Office became Presidential January 1, 1904.

Jacob D. Laciard to be postmaster at Wilkesbarre, in the county of Luzerne and State of Pennsylvania, in place of Byron G. Hahn. Incumbent's commission expired March 6, 1904.

Harry H. Nichols to be postmaster at Girard, in the county of Erie and State of Pennsylvania, in place of Harry H. Nichols. Incumbent's commission expires January 31, 1905.

Eli D. Robinson to be postmaster at Butler, in the county of Butler and State of Pennsylvania, in place of Josiah B. Black. Incumbent's commission expired June 7, 1904.

Mary J. Russell to be postmaster at Vilas, in the county of Lycoming and State of Pennsylvania. Office became Presidential January 1, 1903.

Charles S. Shindel to be postmaster at Tamaqua, in the county of Schuylkill and State of Pennsylvania, in place of Charles S. Shindel. Incumbent's commission expired June 5, 1904.

Coleman Smith to be postmaster at Coudersport, in the county of Potter and State of Pennsylvania, in place of Will E. Olmsted. Incumbent's commission expired June 5, 1904.

PORTO RICO.

Walter K. Landis to be postmaster at San Juan, in the county of San Juan, P. R., in place of Walter K. Landis. Incumbent's commission expired June 5, 1904.

SOUTH CAROLINA.

Joseph H. Abbey to be postmaster at St. George, in the county of Dorchester and State of South Carolina. Office became Presidential January 1, 1905.

Frank C. Cain to be postmaster at St. Matthews, in the county of Orangeburg and State of South Carolina. Office became Presidential January 1, 1905.

James G. Harper to be postmaster at Seneca, in the county of Oconee and State of South Carolina, in place of Emma Harper, resigned.

A. L. King to be postmaster at Georgetown, in the county of Georgetown and State of South Carolina, in place of William M. Hazzard, deceased.

TENNESSEE.

William E. Byers to be postmaster at Tracy City, in the county of Grundy and State of Tennessee. Office became Presidential January 1, 1905.

William T. Smythe to be postmaster at Mountain City, in the county of Johnson and State of Tennessee. Office became Presidential January 1, 1905.

TEXAS.

Theophilus F. Berner to be postmaster at Henrietta, in the county of Clay and State of Texas, in place of Theophilus F. Berner. Incumbent's commission expired December 20, 1904.

Joshua Cooke, jr., to be postmaster at Longview, in the county of Gregg and State of Texas, in place of Joshua Cooke, jr. Incumbent's commission expired December 20, 1904.

G. W. Crossman to be postmaster at Garland, in the county of Dallas and State of Texas. Office became Presidential October 1, 1904.

Kittle L. Edwards to be postmaster at Smithfield, in the county of Bastrop and State of Texas, in place of Kittle L. Edwards. Incumbent's commission expired April 30, 1904.

Jerra L. Hickson to be postmaster at Gainesville, in the county of Cooke and State of Texas, in place of Jerra L. Hickson. Incumbent's commission expires January 21, 1905.

Henry Liem to be postmaster at Center, in the county of Shelby and State of Texas. Office became Presidential April 1, 1903.

Adelia C. Pruitt to be postmaster at Lindale, in the county of Smith and State of Texas. Office became Presidential January 1, 1905.

Charles Real to be postmaster at Kerrville, in the county of Kerr and State of Texas, in place of Charles Real. Incumbent's commission expired December 20, 1904.

Andrew J. Reeder to be postmaster at Granger, in the county of Williamson and State of Texas. Office became Presidential January 1, 1905.

L. E. Robbins to be postmaster at Quanah, in the county of Hardeman and State of Texas, in place of John W. Hedley. Incumbent's commission expired December 20, 1904.

James B. Seargent to be postmaster at Orange, in the county of Orange and State of Texas, in place of Robert J. Looney, removed.

VIRGINIA.

Harry Fulwiler to be postmaster at Buchanan, in the county of Botetourt and State of Virginia. Office became Presidential January 1, 1905.

WASHINGTON.

Daniel Crowley to be postmaster at Vancouver, in the county of Clarke and State of Washington, in place of Lloyd Du Bois. Incumbent's commission expired January 28, 1903.

William P. Ely to be postmaster at Kelso, in the county of Cowlitz and State of Washington. Office became Presidential January 1, 1904.

Olaf N. Erickson to be postmaster at Auburn, in the county of King and State of Washington. Office became Presidential January 1, 1905.

George D. C. Pruner to be postmaster at Blaine, in the county of Whatcom and State of Washington, in place of George D. C. Pruner. Incumbent's commission expired June 5, 1904.

WEST VIRGINIA.

William R. Brown to be postmaster at West Union, in the county of Doddridge and State of West Virginia, in place of D. Porter Stout, resigned.

Benjamin O. Holland to be postmaster at Logan, in the county of Logan and State of West Virginia. Office became Presidential October 1, 1904.

Nathan C. McNeil to be postmaster at Marlinton, in the county of Pocahontas and State of West Virginia. Office became Presidential July 1, 1904.

WISCONSIN.

Marilla Andrews to be postmaster at Evansville, in the county of Rock and State of Wisconsin, in place of Eleanor Andrews, resigned.

F. J. Buell to be postmaster at Burlington, in the county of Racine and State of Wisconsin, in place of Theodore Riel, deceased.

John G. Burman to be postmaster at Amery, in the county of Polk and State of Wisconsin. Office became Presidential January 1, 1905.

George M. Carnahan to be postmaster at Bruce, in the county of Gates and State of Wisconsin. Office became Presidential January 1, 1905.

Charles F. Fine to be postmaster at Hillsboro, in the county of Vernon and State of Wisconsin. Office became Presidential January 1, 1905.

WITHDRAWAL.

Howard K. Sanderson to be postmaster at Lynn, in the State of Massachusetts. (Appointee deceased.)

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 5, 1905.

CHIEF JUSTICE, DISTRICT COURT OF APPEALS.

Seth Shepard, of the District of Columbia, now serving as associate justice of the court of appeals of the District of Columbia, to be chief justice of the court of appeals of the District of Columbia.

ASSOCIATE JUSTICE, DISTRICT COURT OF APPEALS.

Charles H. Duell, of New York, to be associate justice of the court of appeals of the District of Columbia.

REGISTER OF THE LAND OFFICE.

Herman A. Hilderbrandt to be register of the land office at Watertown, in the State of South Dakota.

HOUSE OF REPRESENTATIVES.

THURSDAY, January 5, 1905.

The House met at 12 o'clock m.

Rev. WILLIAM COUDEN, of Boston, Mass., offered the following prayer:

Our Heavenly Father, we are very grateful indeed this morning as we are reminded of the richness of our country and the great names that have enriched our history and the great opportunity that is before us. We pray that we may be equal to all these things, that our hearts may respond in righteousness to the love that Thou hast poured out unto us. We ask that Thy blessing, our Heavenly Father, may be with these Thy servants, who labor for Thee and Thy people this morning. We pray that Thou wilt inspire them with devotion that shall make them wise, that Thou wilt fill them with power to do Thy will, that Thou wilt enoble them with high motives and pure desires. We ask that Thy blessing may rest upon the deliberations of this House this day, and may Thy grace be with every member of it. We ask it in the name of Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

FORTIFICATIONS APPROPRIATION BILL.

Mr. LITTAUER, from the Committee on Appropriations, reported the bill (H. R. 17094) making appropriations for fortifications and other works of defense, for the armament thereof, for the procurement of heavy ordnance, for trial and service, and for other purposes, which was read a first and second time, referred to the Committee of the Whole House on the state of the Union, and, with the accompanying report, ordered printed.

Mr. LLOYD. Mr. Speaker, I reserve all points of order.

The SPEAKER. The gentleman from Missouri [Mr. LLOYD] reserves all points of order.

Mr. CLARK. I would like to inquire of the gentleman from New York when that appropriation bill is coming up for consideration?

Mr. LITTAUER. As soon as I can get an opportunity to be heard.

Mr. CLARK. I would like to have some definite information about it.

Mr. LITTAUER. It has to lie over until to-morrow. We will not want, of course, to bring it up before then.

Mr. CLARK. Of course, you can not bring it up to-day.

Mr. LITTAUER. The intention was either to bring it up to-morrow or on next Tuesday.

Mr. CLARK. Well, put it off as much as you can.

COTTON ESTIMATES OF DEPARTMENT OF AGRICULTURE.

Mr. WADSWORTH. Mr. Speaker, I offer the following privileged report from the Committee on Agriculture, which I send to the desk and ask to have read.

The Clerk read as follows:

The Committee on Agriculture, to whom was referred House resolution No. 400, "That the Secretary of Agriculture is hereby requested to forward to the House of Representatives all data, in detail, upon which said last report was made and published, said report to cover all sources and kinds of information upon which said report was based," beg leave to submit that your committee caused to appear before us the honorable Secretary of Agriculture and Chief of Bureau of Statistics of that Department, and upon hearings—a full copy of which is submitted herewith, giving in detail the plan adopted by said Department in arriving at its cotton estimates—your committee are of opinion that such estimates are honestly, intelligently made, and are as accurately made as is possible, and we recommend that said resolution lie upon the table.

Mr. WADSWORTH. Mr. Speaker, before making the motion to have the resolution lie upon the table, I desire to yield some time to the gentleman from Georgia [Mr. LIVINGSTON]. How much time does the gentleman desire?

Mr. LIVINGSTON. Mr. Speaker, I shall take just as little time as possible—I think, about thirty minutes. I think I can get through in that time.

Mr. WADSWORTH. How much time does the gentleman from Texas [Mr. BURLESON] desire?

Mr. BURLESON. About the same time.

Mr. LIVINGSTON. I do not want to be confined to thirty minutes if I can help it.

Mr. WADSWORTH. I yield to the gentleman from Georgia [Mr. LIVINGSTON] twenty minutes, inasmuch as I have only an hour and there are two or three other gentlemen who desire to speak.

Mr. LIVINGSTON. Mr. Speaker, I wish to say to the gentleman in charge of the resolution and to the House that I had no chance to go before the committee at all to show why this resolution ought to have been reported favorably. This is the only opportunity I shall have, and I ask the chairman of the Committee on Agriculture, the gentleman from New York [Mr. WADSWORTH], not to confine me to twenty minutes.

Mr. WADSWORTH. Mr. Speaker, I have every disposition to give the gentleman all the time he wants, but I have only one hour and there are two or three other gentlemen who wish to speak.

Mr. LIVINGSTON. Then I shall ask the House to grant me unanimous consent to make my statement in favor of the resolution. I shall make it just as short as I can.

Mr. WADSWORTH. Mr. Speaker, I shall yield the gentleman thirty minutes, and if the gentleman has not completed his remarks within that time I shall do the best I can, yet reserving enough time for the other gentlemen who wish to speak.

Mr. WILLIAMS of Mississippi. Mr. Speaker, with the permission of the gentleman from Georgia [Mr. LIVINGSTON], I would suggest that it would be well, I think, to have an hour given to the opponents of the resolution and an hour given to those in favor of it, the time of those opposed to the resolution to be controlled by the gentleman from New York [Mr. WADSWORTH], the chairman of the committee, and the time of those in favor of it to be controlled by the gentleman from Georgia [Mr. LIVINGSTON], who is the author of the resolution.

Mr. WADSWORTH. I have no objection to that, if the House is satisfied.

The SPEAKER. The gentleman from Mississippi [Mr. WILLIAMS] asks unanimous consent that debate on this resolution be confined to two hours, one hour to be controlled by the gentleman from New York [Mr. WADSWORTH] and one hour to be controlled by the gentleman from Georgia [Mr. LIVINGSTON]. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Mr. WADSWORTH. Mr. Speaker, I now yield to the gentleman from Georgia [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, this resolution was not introduced, or when introduced, was not intended to imply or express either dishonesty or want of faithfulness or anything of that kind on the part of the Agricultural Department. Nor was this resolution introduced for the purpose of showing that

the last estimate made by the Department of Agriculture of 12,162,000 bales of cotton as the total crop was inaccurate. I do not question the accuracy of the report in the resolution, unless it be inferred from the preamble. The resolution is a plain, simple resolution, which I propose to read in my time.

Whereas there is great dissatisfaction and want of confidence in the reports on cotton acreage and production by the Department of Agriculture, especially to the last report, made on December 3, 1904: Therefore be it

Resolved, That the Secretary of Agriculture is hereby requested to forward to the House of Representatives all data, in detail, upon which said last report was made and published, said report to cover all sources and kinds of information upon which said report was based.

It is a simple resolution asking for information from the Department—

Mr. WADSWORTH. Will the gentleman kindly read also the preamble?

Mr. LIVINGSTON. I read it, sir.

Mr. WADSWORTH. I beg your pardon.

Mr. LIVINGSTON. It is just simply this: Whereas there is great dissatisfaction and want of confidence on the part of the producers and consumers of cotton in regard to the agricultural report as to acreage and results. Now, Mr. Speaker, it is charged in the hearings that I have in my hand that I have overestimated the dissatisfaction. That is the expression of Mr. Hyde, and I want to say to the House that this procedure has been a very remarkable one. As the introducer of the resolution I never had an opportunity to go before this committee and show why that report ought to have been favorable to the resolution instead of against it. I have got it to do now if I can.

Repeating, therefore, Mr. Speaker, that I am not charging falsehood or dishonesty on the Department, I did not charge in the resolution inaccuracy in regard to that estimate of 12,162,000 bales, but I am going to do it this morning; I am going to show this House it was not accurate or, rather, the sources of information upon which it was based, or the gin report of December 28, one or the other, is very inaccurate. Why are the people dissatisfied with these reports, it is challenged, and I have to answer and I have not time to take up all these clippings and editorials from newspapers of the South, from Virginia to Texas. Some of these editorials are extremely bitter, but when it is charged there is no dissatisfaction—as it was charged in the subcommittee before I was locked out that there was no dissatisfaction in the South; that the South was simply sore and distressed over the fact that they lost fifteen or twenty dollars a bale on their cotton after the report came out—why were they dissatisfied? First, I refer the Department of Agriculture and the committee and this House to the newspapers of the South—the semiweeklies, the weekly papers, dailies, from Virginia to Texas—and I ask those of you who have read them to remember without my stopping to prove that they are representative newspapers, they are the leading newspapers of the South, and they declare emphatically that the South is not only dissatisfied, but they are determined that if these estimates are to come out at all they will demand that they come nearer to what the actual facts are, with more frequency and publicity, or they will demand the abolition of the statistical division of that Department. This is, or seems to be, the mind of the press of the South.

In the next place, Mr. Speaker and gentlemen of the House, the bankers in all parts of the South are meeting and holding conventions to see what they can do in order to benefit the cotton producer and the cotton spinner, for one is just as much involved in this as the other. That is another evidence of dissatisfaction.

The ginners themselves, denying the last report made by Mr. North, have met and organized a National Ginners' Association, and the president of that association stands up before the world in a speech at the Piedmont Hotel at Atlanta, in which he declares that the report is wrong, not wrong because Mr. North made it wrong, but that it is wrong because "we were such chumps as to make such reports" from our gineries. Then he goes on to specify how the mistakes were made and why they were made. That is another evidence that dissatisfaction exists.

There is another reason for this dissatisfaction. The Department of Agriculture estimated the acreage of cotton last year at more than one million acres too large and corrected that estimate in October. The Department that could make a mistake of one million acres in the acreage of cotton in the South in one season seems to me ought to give to the country the information upon which they base such estimates.

Second, here is the estimate of the Department of Agriculture showing the conditions of the crop last year by percentages, from June until October. On May 26 they reported the condi-

tion at 85 per cent, signifying a heavy crop of cotton; on June 26 they reported it at 88 per cent, still heavier, and July 26 they reported it at 91.6 per cent, still heavier, and on August 26 they cut that estimate to 84.01 per cent. In October they cut it to 75.6 per cent. This indicates that it was reduced by the Department in their estimate of the condition of the crop more than 16 per cent from June 1 to October 1.

Now, for that reason the people of the South are wanting in confidence.

Next, we have the estimate of cotton by the exchanges, including Liverpool, New York, Augusta, the Reform Club of Liverpool, the Yazoo Cotton Exchange, Latham, Alexander & Co., and many other of the largest cotton firms and business houses in this country and abroad. I have them all here. The average given by all of those cotton exchanges was 11,333,000 bales, yet Mr. Hyde comes out soon thereafter and makes an estimate of 12,162,000 bales. Are you surprised, in view of this, that the South is dissatisfied with his estimate? When they had taken Liverpool, which is always a bear market, and New York, which is also a bear market, and the cotton exchanges everywhere, which are usually in favor of cheap cotton, still the average of the estimates from this source was only 11,333,000 bales. The fact is that no report or estimate was made for the month of November, the month of all months in the season when cotton is being sold in large quantities, leaving everyone for two months in doubt as to what would come next; and then springing upon an unsuspecting people and upon an unsuspecting market a report of this kind, is it surprising that a panic is produced in the market? Cotton producers, as well as the cotton spinners of this country, want, first, accuracy, frequency, and publicity. But here the Department of Agriculture goes from October over to December 3 without any report, and in the midst of the heavy selling of cotton over the South. It makes no difference what this report would be, whether it was high up or low down, it will make a panic in the cotton market if you skip one whole month and make a return for two months as to the production of cotton. If he had made a report in November indicating a heavy crop of cotton, the producer and spinner would have been better prepared for it, but bringing it upon the market and upon the country suddenly produced a panic, and it is not at all surprising or astonishing that the whole South was dissatisfied. I again repeat that the dissatisfaction is rather over the way and time in which these reports are made public.

Do you want any other evidence of dissatisfaction? In every cotton county in the South, with but few exceptions, since the December report was made, they have held county conventions expressing their indignation when they learned that it was charged up here that there was no dissatisfaction about the cotton report. In three or four instances throughout the South they have met on the streets and have burned cotton. For what purpose? In order to demonstrate to the Department of Agriculture and to this House that there was great dissatisfaction.

Mr. LOVERING. Mr. Speaker, I call for order. I can not hear what the gentleman says.

The SPEAKER. The gentleman from Massachusetts makes the point of order that the House is not in order. The point is sustained. Gentlemen who desire to converse will please retire to the cloakroom.

Mr. LIVINGSTON. Again, Mr. Speaker, dissatisfaction has recently been intensified with the agricultural report by a report from the Census Office giving the total cotton ginned, up to December 13, 1904, of 11,971,477 bales, which is within 190,523 bales of the total estimate by the Department of Agriculture. If the Department of Agriculture is right, the gin report is a million bales too much. If the census report from Mr. North is right, Mr. Hyde is a million bales too low; and yet gentlemen stand in this House and in that committee room and say there was no dissatisfaction; and Mr. Hyde said I have overestimated it. What is the effect of it to-day? We have hung up here the cotton world, the spinner, the exporter, and the producer between two reports, one giving 12,162,000 bales total crop, and the other, up to December 13, ginned 11,971,477 bales. Is that accuracy? Will these wide divergent estimates give satisfaction or promote stability?

Again, Mr. Speaker, I want to say to the chairman of this committee and the committee that made this report that the Department of Agriculture is simply the creature or the servant of the people. They are not the masters of the people, no more than you or I are the masters of the people. The people through Congress constituted or set up this Department of Agriculture. The other day I was questioned by the Secretary of Agriculture himself this way: "Are you not an enemy yourself

of the Department of Agriculture? I said emphatically: "I am not," and if I had had opportunity I would have said to him that in my humble way, as an officer of the State agriculture society where the resolution originated calling upon Congress to establish this Department, I did my humble part in bringing it into existence; and I have done my humble part ever since to sustain it. The way to sustain it is to have publicity upon sources of information—taking the public into the confidence of the Department and establishing stability with confidence. Accuracy in the information given, and frequency, with as much publicity as possible, is the thing which in my opinion will prove a remedy and secure confidence and enable the Department of Agriculture to do the greatest good to the greatest number.

If their reports are inaccurate they destroy confidence; if they come too far apart, as they did this fall, they will produce a panic in the market whether they are right or wrong.

Mr. Speaker, I now come to the most wonderful document I have ever had the fortune to take up on the floor of this House since I have been a Member—for fourteen years. It reads this way: "Hearing before the Committee on Agriculture."

I want to suggest to the chairman that there were just three men present that day.

Mr. WADSWORTH. I did not catch the gentleman's statement.

Mr. LIVINGSTON. I suggested to him that there were just three men present that day.

Mr. WADSWORTH. There were at least five members of the subcommittee.

Mr. LIVINGSTON. I am speaking of when I left.

Mr. WADSWORTH. There may have been only that number when you left. There were five or six members of the subcommittee when the Secretary and Mr. Hyde made their statements. Mr. Speaker, I just want to make this one statement.

Mr. LIVINGSTON. Mr. Speaker, this is not to come out of my time.

Mr. WADSWORTH. I want to say to the gentleman from Georgia and the House that the reason why we went into executive session was that it was suggested that certain information might be divulged which could be telegraphed all over the country and which might affect cotton in a speculative way, and for that reason alone it was thought best to hold an executive session.

Mr. LIVINGSTON. That is all right. This committee was in executive session, and after the resolution had been read—listen to the questions propounded by the chairman of the committee:

Now, Mr. Hyde, you see this resolution which is before us. What the committee wants to know is, is there any need of reporting this resolution favorably?

Mr. Hyde is the chief of a bureau in the Department of Agriculture. I had introduced the resolution in this House and had it sent to that committee. The committee never asked me the question: "Mr. LIVINGSTON, what reasons have you to give why this resolution ought to be reported favorably?" but they put the question to Mr. Hyde in that form. I will read the whole of it:

Now, Mr. Hyde, you see this resolution which is before us. What the committee wants to know is, is there any need of reporting this resolution favorably? That is the question before this committee, and that is all there is of it. We want the data upon which we can act.

The complaint that I make, Mr. Speaker, is that you got your data from one side, when you ought to have heard both.

Mr. WADSWORTH. Let me reply to the gentleman that that is all he is asking for in his resolution.

Mr. LIVINGSTON. Secretary Wilson interrupted with this suggestion:

Tell the committee unreservedly everything you know, Mr. Hyde.

Now, Mr. Hyde proceeds at once, according to the printed report of this hearing, to establish the fact that there was a big crop of cotton. I said nothing about that in my resolution. I said nothing in my resolution about the question whether there was a big or a small crop. I wanted the information upon which he was acting. Whether it established the fact of a big crop or a small one did not make any difference to me or to this House. But he takes my State, the State of Georgia, and it is the only State that he handles. After comparing the report from my State last year and the year before, he comes to this conclusion, which he states on page 2 of the hearing:

Thus, with one exception—

He says—

all these six classes of correspondents reported a yield per acre 50 per cent or more greater than that of last year.

He has stated previously that he has six sources of information, and now he says, on page 2, that of all these classes or sources of information five of them reported the yield in Georgia 50 per cent or more greater than the year before—that is, 50 per cent greater in this present crop than in the one that preceded it. One class of these reporters, being planters exclusively, reported 39 per cent greater. Now listen:

Mr. SCOTT. The estimate that you have given there is the average of all your correspondents of the several classes?

Mr. HYDE. The average of all correspondents of each of six different classes for the State of Georgia.

Mr. SCOTT. Yes.

I want to call the attention of the House to this declaration:

Mr. HYDE. And what applies to Georgia applies in very much the same way to every other cotton-producing State, great and small. Now, the acreage this year unquestionably is a little higher than it was last year.

Mr. Speaker and gentlemen of the House, those are the only data furnished in this paper upon which anybody can estimate or guess whether Mr. Hyde was too high or too low in his figures. He says that in Georgia five sources of information put it at 50 per cent more than last year and one puts it at 39 per cent; and that applies, he says, practically to all the other States. Let us see, now, what becomes of it. Taking Mr. Hyde's statement before the committee, on page 2, that I have just read, if Mr. Hyde had taken the estimate from the five sources estimating the crop at 50 per cent greater than that of 1903, his report on the total should have been for Georgia 1,929,436 bales, which is 164,563 bales more than he reported for Georgia in that December report. Of course the 5 per cent for increased acreage was added to that, and it is claimed that in Georgia it was 15 per cent larger. Now, I have taken the smallest per cent of increase that Mr. Hyde has given and applied it to my State. He should have given 1,929,436 bales. He only gave 1,764,000 bales for Georgia. Had he taken the one class of reporters estimating the increase at 39 per cent, his report should have shown for Georgia 1,792,508 bales, which is 27,605 bales more than he did estimate for Georgia. He says in this report that he exercised his judgment in determining these matters and that he usually took the mean or go-between. Did he take any mean or go-between here? He was 200,000 bales short of the bulk of the reporters of Georgia, five to one. Taking the figures from the smallest report, from the planters, at 39 per cent, he was 27,665 bales below his report December 3. So, I say, he ought to show to this House and to the world how he got his report for Georgia. That is just the information that I asked for in the resolution, but he failed to give it.

I ask that the House give me their attention for a minute that it may appreciate this wild business on the part of somebody. I am not charging it to Mr. Hyde, I am not charging it to the Department of Agriculture, I am not charging it to the Census Bureau; but I suppose that it is chargeable to the information that this Department and Bureau received from somebody, and that is one reason why the resolution was introduced, to ascertain who it was that furnished the information, so that if they were leading Mr. Hyde and the Census Bureau into a mistake this House could suggest to the Secretary of Agriculture that he ought to revise his list of informants.

Had Mr. Hyde taken the estimates, reporting 50 per cent or more increase with 5 per cent added for increased acreage, and applied it to all the cotton-producing States, as he said it was applicable, his estimate for the total crop would have been what? Twelve million one hundred and sixty-two thousand bales? No. It would have been 15,517,050 bales. About 3,355,050 more than he estimated the crop.

Mr. BURLESON. Your complaint now is that he made it too low?

Mr. LIVINGSTON. I am not complaining. I hope the gentleman will not go off halfcocked about the matter. I am complaining because the committee did not demand of him upon what information he relied. His estimate of the total crop, had he taken the 39 per cent, the lowest amount for Georgia, which he said was applicable to the other States, including the 5 per cent increase for acreage, the total estimate of cotton crop ought to have been 14,415,840 bales, 2,253,840 above his estimate. The point, Mr. Speaker and gentlemen, is simply this, and I trust that you can see it, and I trust the chairman will explain it if he can. His own figures, 50 per cent and 39 per cent greater, taking the information upon which he bases his estimates, his report should have been 15,517,050 bales; if the smallest report is correct, then it should have been 14,415,840 bales. Now, let Mr. Hyde take either horn of this dilemma that he will. Still, my resolution is here asking the question Where did you get it?

Now, Mr. Speaker and gentlemen, you can well see that Mr.

Hyde did not take either of these estimates given him, neither the 39 per cent or the 50 per cent for Georgia. How did he get his estimate in bales for Georgia? It is just as much of a mystery to-day as it was before the committee handled the resolution.

Ah, but some man will say, as was said to me this morning, "Suppose Mr. Hyde had followed his information and had given out 14,415,840 bales, which was the lowest estimate made to him, there would have been a panic sure enough." Well, Mr. Speaker, it could not have been much worse. When the ginners' report was filed it did come that his statement was inaccurate, or the ginners' report was inaccurate. I have made no calculations on the mean, for it is not necessary. He said before your committee, in answer to your question, "I usually take the mean between the extremes and make a report." He did not do it here, because the mean difference between 15,570,000 bales and 14,415,840 bales would be somewhere about thirteen and one-half millions; that would have been an average between the high and the low. But he did not take it. Why did he not take it? That is what my resolution calls for. "Mr. Hyde, why didn't you give to the committee this information, why is it that this committee comes in this morning?"

Mr. RICHARDSON of Alabama. Will the gentleman from Georgia yield to me?

Mr. LIVINGSTON. I will if I can hear the gentleman.

Mr. RICHARDSON of Alabama. I want to know from what class of farmers comes this dissatisfaction as to the report of the Department of Agriculture?

Mr. LIVINGSTON. I refer the gentleman to the newspapers of his own State and to all the newspapers of the South.

Mr. RICHARDSON of Alabama. You say that your resolution is based upon the dissatisfaction of the farmers of the South?

Now, is it not a fact in Georgia, as well as in my State, Alabama, that the "share-croppers," as we call them, and the small farmers, sold their crops at the beginning of the season for 10 and 10.10 and 10.20, and secured generally the highest price? Now, are they dissatisfied? I ask the gentleman from Georgia [Mr. LIVINGSTON] if that is the element which is dissatisfied, and is it not a fact that the same class sold their crops in his State at a high price?

Mr. LIVINGSTON. Mr. Speaker, I understand that in the South the men who were squeezed with mortgage and other debts sold their cotton early, and they are not hurt except in one way—yes, they are hurt, and it ought not to be forgotten. They will be notified next year, with 6-cent cotton, that they will have to give better collateral, and the merchants will notify them that with 6-cent cotton they will have to have better collateral than cotton.

Mr. RICHARDSON of Alabama. I do not see any objection to the gentleman's proposed investigation, but I ask these questions for information, to find what class are dissatisfied.

Mr. LIVINGSTON. If the gentleman will take the Montgomery papers and the Birmingham papers—

Mr. RICHARDSON of Alabama. Oh, I take those papers, but they do not represent all the farmers of the country.

Mr. LIVINGSTON. No, I do not think they represent all the farmers any more than they do the gentleman and myself.

Mr. RICHARDSON of Alabama. The class I refer to received generally 10 and 10.20 for their cotton, and many as low as 9 and 9.50 cents per pound.

Mr. LIVINGSTON. Oh, Mr. Speaker, I will let the gentleman make his speech in his own time.

Mr. RICHARDSON of Alabama. Mr. Speaker, I am just asking for information. I am not making any speech at all.

Mr. LIVINGSTON. Mr. Speaker, the last gin report made by the Census Office, which was made on the 28th of December—the Hyde report coming out on the 3d of December previous—reports some 30,000 gins, in which they had ginned up to that time—

Mr. LOVERING. Mr. Speaker, I think the gentleman is mistaken—that they had ginned up to the 13th of December.

Mr. LIVINGSTON. That is what I mean to say.

Mr. LOVERING. That is what the gentleman did not say.

Mr. LIVINGSTON. That the ginners had ginned up to the 13th of December not quite 12,000,000 bales of cotton; and I desire to suggest that if the gin report is correct that Mr. Hyde's estimates are awfully out of joint. I want to say about that ginning business—for I have been in it all my life—that the gins of the South, to have ginned that amount of cotton up to the 13th day of December, would have to have ginned 666 bales each, upon an average, more than they did in the same time the year before. I am not here to say that they did not do it or that they could not do it.

Mr. Speaker, this country wants the best service from the Department of Agriculture that we can get, and it is the first time in the history of that Department that an effort has been made to get accurate information from them, and they have shut the door in the face of Congress through their committee. I can not remember the report exactly as it was read from the desk; but, summing it up, that committee says that it is satisfied with the conduct of the Department of Agriculture in reporting cotton estimates. I believe that was the substance of the report. Mr. Speaker, it makes no difference whether the committee was satisfied or not. The question is, Is the country satisfied with this, and has the country, through its Representatives on this floor, the right to inquire? I think it is only so much the worse for the Department of Agriculture when they hesitate to give to Congress anything in the way of information touching upon their reports.

If the Agricultural Department had come in with the right kind of an answer through this committee to the House, I was prepared, with the help of other Members on the floor of this House, to have suggested to the Department of Agriculture how it could widen its inquiries and help the poor cotton producers of the South, whose markets have been fixed in Liverpool and New York for forty years, with two exceptions, and a great part of that time were compelled to sell their cotton below the cost of production. Mr. Speaker, to-day the price of cotton is fixed for next November and next October in Liverpool and New York. We are at their mercy. It is true the South has its own remedy if she can be persuaded to adopt it. If the Department of Agriculture would permit an humble Member of the House on the floor in his place to suggest some things that it might do, I shall suggest one, and I hope the gentleman from Massachusetts [Mr. LOVERING], who I see has asked for time, as a spinner will suggest others. There is pending at present before the Committee on Ways and Means a bill to take the tax off alcohol. If that bill is passed the producers of smokeless powder will consume 600,000 bales of cotton next year. There are many other such enterprises opening up to the poor cotton raiser of the South, if the Department of Agriculture would quit their estimating of crops long enough to get out into the world and indicate to the cotton grower where this cotton can be used and how it can be used. The poor producer of cotton is not the only man hurt in those reports, when they come in that manner, unexpected, upon the market, crushing it or elevating it without the bounds of reason. Last year it was rushed up to seventeen and one-half on a ten million crop. This year, on Mr. Hyde's estimate of twelve millions, it is rushed down to six and a quarter, and some parties in New York affirm that they will put it to five and a quarter cents before the season closes.

It is the way in which these reports come that hurts so much rather than the actual amount estimated. Now, Mr. Speaker, I insist that the Committee on Agriculture, and it is the only body I can reach and they did not seem to be friendly, and I ask the chairman of the committee as a patriot, I ask him as a national man and not as a sectional man, to call the attention of the Secretary of Agriculture to the fact that he ought to do for cotton what he has done for corn and butter and other things across the waters as well as at home. Why not let him spend part of his time and resources seeking new markets and new enterprises for the use of cotton? I had hoped that this matter might come legitimately before the House without this motion to table, so that we could have gone into the matter and given us the chance to discuss the wonderful development going on all over the world every day where new enterprises are springing up demanding cotton, cotton, cotton. I have a statement on my desk here from some Massachusetts spinners that have had to go into bankruptcy, and they charge it on account of the fluctuations made by speculators on these reports. Is it possible, gentlemen of the committee and of the House, is it possible to have these reports so come that they can not do that? That is all we pray for, that is all we ask for. I understand there are no such reports made as to wheat and corn. They have easy, smooth sailing; no great fluctuations. A short crop in wheat pushes it up gradually, and a long crop of wheat pushes it down gradually. That is legitimate; that is meeting the supply and demand question; but here when you can deduct \$20 a bale in twenty-four hours out of 5,000,000 bales of cotton, I want to ask this House, Is that the kind of report to have, whether it be right or wrong?

Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. The gentleman has fifteen minutes more.

Mr. LIVINGSTON. I reserve it.

Mr. WADSWORTH. Mr. Speaker, just one word. If the House will read the preamble of this resolution they will notice it states this:

Whereas there is great dissatisfaction and want of confidence in the report on cotton acreage and production by the Department of Agriculture, etc.

Now, the committee, in answer to that, felt it its duty, first, to inquire into the methods employed by the Department of Agriculture in gathering together these statistics upon which they base their report. The House will notice its methods are recited on page 2 of the hearings, and they are uniform in all the cotton States. Secondly, as to the accuracy of the results arrived at. On page 9 you will find the estimates for the last five years and on page 10 the statement that during the last five years the Department of Agriculture was only 152,952 bales out of the way on the average of each year.

Mr. LIVINGSTON. What was it in 1901?

Mr. WADSWORTH. We base our report, Mr. Speaker, on the methods employed by the Department in gathering these statistics and upon the results as brought about when prepared that way, and therefore we claim that the public has no reason for entertaining a want of confidence in the Department of Agriculture's statistics. And, further, I wish to say, in answer to the gentleman from Georgia, that the Secretary of Agriculture did not attempt to conceal anything as to his methods or results.

Mr. LIVINGSTON. May I ask the gentleman why they did not add in the report of 1901, which was a million short?

Mr. WADSWORTH. I can not state the reason right here. On page 9 the House will get the full information.

Now, Mr. Speaker, I yield twenty minutes to the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Speaker, at the outset, I desire to assure the membership of this body that the Committee on Agriculture has no disposition whatever to conceal or smother anything, as has been insinuated by the gentleman from Georgia [Mr. LIVINGSTON]. We have no objection whatever to making known all information with reference to the cotton estimate of December 3, within the keeping of the Statistician of the Agricultural Department, but your committee after a careful hearing, the full report of which is before you, reached the unanimous conclusion that it was wholly unnecessary to report favorably the resolution under discussion.

I will now attempt to give you the reasons moving us to reach this conclusion. On the 3d of December Mr. Hyde, the Statistician of the Department of Agriculture, gave out his estimate of the cotton crop for this year as 12,162,000 bales of cotton. If this estimate was correct, it was the largest cotton crop grown in the history of the cotton industry. If correct, it would be far-reaching in its consequences, and necessarily there would be dissatisfaction in some quarters, and of course the result of this announcement depressed the market price of the staple. But the inquiry very pertinently arises, where will this dissatisfaction come from? In effect, this same inquiry was propounded by the gentleman from Alabama [Mr. RICHARDSON] to the gentleman from Georgia [Mr. LIVINGSTON] a moment ago, and you noticed that no response was made thereto. I will now tell you where this dissatisfaction could certainly be located. Every cotton speculator, every cotton gambler, who was upon the bull side of the market was sure to be dissatisfied. Furthermore, every producer of cotton throughout the cotton region who was still holding his cotton in anticipation of a higher price, thereby in a measure becoming a speculator himself, would naturally be dissatisfied. I confidently assert that neither the gentleman from Georgia [Mr. LIVINGSTON] nor any other person can name one single producer of cotton who, content to receive the legitimate price for his staple, the price fixed by the law of supply and demand, and who sold his cotton as he gathered it, is now voicing dissatisfaction with the Bureau report.

The gentleman from Georgia [Mr. LIVINGSTON] complains that when this estimate was given out there was a slump in the price of cotton. He contends that if the Bureau of Statistics had indicated in November a heavy crop both the spinner and producer would have been better prepared. Ah! the estimate seems to have come too late. If anyone was seriously hurt by this slump, whose fault is it? Was his injury occasioned by reason of the fact that he had bought cotton or by reason of the fact that a great quantity was being held by the producer for a higher price? Was it occasioned by the fact that the Bureau of Statistics had misled anyone as to the true condition of the crop prospects? Let's be honest in our search after the truth, and see if the Statistician of the Agricultural Department deceived us. The very first crop estimate given out by the Bureau of Statistics promised 85 per cent, signifying, as said by

the gentleman from Georgia [Mr. LIVINGSTON], a large cotton crop. In June the crop condition was reported at 88 per cent, which, he says, promised a still larger crop, and thence followed the Bureau's estimate of this crop, one after the other, in such a way as to clearly indicate to those who produced and those who consumed cotton that this year gave promise of a bumper crop. The very last estimate by percentage given out by the Bureau in October indicated even a larger crop than was announced by the Statistician in the December estimate, and yet the gentleman from Georgia [Mr. LIVINGSTON] complains that sufficient warning was not given.

Now, gentlemen, should anyone be heard to complain? If I, a producer of cotton, did not give heed to these most valuable statistics which were being issued by the Department of Agriculture, but, on the contrary, disregarded them and failed to sell my cotton as I gathered it, and hoping for a higher price held it, thereby placing myself in the attitude of a speculator in this great product, should I be heard to complain when the final estimate of the cotton crop does not happen to fit the necessities of my situation? Or, if one tinkers with the bucket shops and when the psychological moment arrives finds himself on the bull side of the market with a bumper crop assured, should we heed him when he cries aloud? I reiterate the statement that no grower of cotton who was content to receive the legitimate price for his product—that is, the price fixed by the law of supply and demand—and to sell his crop as he gathered it, will be heard complaining at this time.

Mr. HARDWICK. I want to ask the gentleman this question: While it may be proper to collect such statistics on the supply of cotton in order to maintain the equilibrium, to ascertain how the law of supply and demand is operating would it not be the gentleman's idea that it would be better to also gather statistics on the amount of demand for cotton?

Mr. BURLESON. Do you mean statistics relating to cotton consumption?

Mr. HARDWICK. Yes, sir.

Mr. BURLESON. I certainly do, and on yesterday I introduced a joint resolution directing the Census Bureau to collect and publish the very statistics the gentleman has in mind. I believe it will benefit both the cotton grower and the cotton manufacturer.

Mr. HARDWICK. I understood that to be the position of the gentleman.

Mr. GAINES of Tennessee. You have mentioned two kinds of speculators here, one whom you call the cotton exchange speculator or cotton gambler, and the other the man who is holding his cotton for a higher price. If that man is the grower and is holding his cotton, do you call him a speculator?

Mr. BURLESON. Any farmer who when he gathers his cotton does not sell it, but holds it in hope of securing a higher price, becomes a speculator, and unfortunately for me I am, this year, one of that kind—I still have mine. Now, gentlemen, this trouble has been caused—

Mr. GAINES of Tennessee. Will the gentleman allow me to ask him another question.

Mr. BURLESON. I will remind the gentleman that I have only a few minutes, but—

Mr. GAINES of Tennessee. Then I will not interrupt the gentleman further.

Mr. BARTLETT. I would like to ask the gentleman one question.

Mr. BURLESON. I have only a few minutes, but I yield with pleasure to my friend from Georgia—

Mr. BARTLETT. I do not think the gentleman cares to put himself in the position of saying that the farmers who sold their cotton early did not sell it at a legitimate price, and that he thinks the present price is a legitimate price.

Mr. BURLESON. I have evidently failed to make myself understood. I firmly believe the present price of cotton is below the cost of production, but I hope and believe it will remain so only temporarily.

Now, gentlemen of the House, having ascertained who it really is that is dissatisfied, let us locate, if possible, the first cause of all this trouble. The truth is this dissatisfaction has not been occasioned by the act or acts of any governmental bureau.

I will tell you where the trouble comes from. Last year we produced approximately a ten-million-bale cotton crop, which was far short of the quantity required to meet the necessities of the commercial world. The Bureau of Statistics of the Agricultural Department and the Census Bureau, faithfully reporting the truth, promptly gave out information indicating this small crop. What was the natural result? When the final estimate was made the price soared. The gentleman from Georgia has said

it reached 17½ cents per pound. No complaint was then heard from any ginner or producer; no whining then except from cotton speculators or bucket-shop gamblers who happened to be on the bear side.

Mr. LIVINGSTON. Did not the Secretary of Agriculture complain?

Mr. BURLESON. No, sir; he expressed the opinion that the price was abnormally high, and that it would probably result in injury to the industry. I think myself such a price, so unusual, ultimately results in injury to the grower of cotton, as I was attempting to show when interrupted by the gentleman from Georgia. What was the result of that high price? The result was an increase in the acreage planted in cotton throughout the cotton region. In Texas, which is the greatest of the cotton-growing States, it has been estimated that this increase of acreage was as much as 10 per cent. Following this increased acreage came a most favorable season for growing cotton, and following this increase of acreage and this favorable season for growing cotton was the most exceptional season for gathering the crop which has been known for years. With these three factors entering into the cotton equation, the result was as certain as that "night doth follow day" that we were to raise a bumper crop. I believe to-day that the South has probably raised the largest cotton crop known to the history of the trade.

Last year's short crop, with its abnormal price, was the real cause of this year's bumper crop.

Furthermore, 17½-cent cotton then brought into existence the British Cotton Growers' Association and like bodies in France and Germany, which were promptly organized for the purpose of growing cotton, if it was possible to do so, in Africa and other of their colonial possessions. This was a threatened injury to the cotton grower, and it may be that this crop at present prices will not prove altogether an unmixed evil, for these efforts will now probably be abandoned. Last year the Census Bureau reports and the final estimate of the Agricultural Department disclosing a short crop were followed by higher prices. This year they disclose a large crop and are followed by lower prices. The question arises, If the real facts were made known then shall the truth be made known now?

I say that the truth should be made known at all times. I contend that it is to the interest of the producer of cotton that the true condition of the cotton situation should be at all times known. For myself I can not see by what process of reasoning any man, having the interest of the grower of cotton at heart, can reach the conclusion that the concealment of the truth is in the interest of the men who raise the cotton and the spinner who consumes it. I can well understand why one who has tinkered with the bucket shop and, by being on the bear side last year or on the bull side this year, might cry out against these reports and should want to muddy the waters or conceal the truth.

I will tell you why the cotton grower is interested in the truth being known even under the present distressing conditions. It is true there is a temporary depression in the price of his staple. I verily believe this temporary depression can be counteracted if those who hold the surplus cotton in the South will continue to hold it at this time. This depression of price can be further counteracted if the grower of cotton will cut down the acreage planted in cotton the coming season. They could not act with intelligence if they did not have knowledge of actual conditions.

The information they have received from Secretary Wilson's Department and Director North's Bureau will enable them to act advisedly. They are holding at this time, and declare their purpose to decrease the acreage, and already the price of cotton is on an upward trend.

The distinguished chairman of the Agricultural Committee [Mr. WADSWORTH] has said that he sometimes doubts the wisdom of the Government in making these estimates.

The gentleman from Georgia [Mr. LIVINGSTON] has said "that the South will demand their abolishment unless they are made more frequent and more accurate." He has also said "that the Department of Agriculture should quit estimating long enough to tell the farmer how to find new uses for his product."

Mr. Speaker, the intelligent producers of cotton will never consent to the abolishment of the work being done by the Bureau of Statistics and the Bureau of the Census, and in my opinion no true friend of the cotton grower will attempt to hamper them or will be instrumental in destroying confidence in the verity of their reports.

Too well do the cotton producers remember the period before the Government undertook to gather and publish cotton statistics. Then the market price of this great product, which is

of vital concern to millions of our citizens, both North and South, was largely fixed by the foreign spinner, the cotton speculators, and their inseparable ally, the professional cotton-crop estimator. I have often been their victim and know whereof I speak.

Frequently, yes more often than otherwise, the short crop was marketed at low prices, and when the bulk of the crop had passed out of the hands of the grower the truth was ascertained. Higher prices would then come, but always too late to benefit the farmer. He was the constant victim of these estimates, exaggerated as they were for the purpose of depressing the price of his staple. There was no relief for him except through the instrumentality of his Government. It was at the instance of the producers of cotton that the Department of Agriculture has undertaken this important work of estimating the cotton crop, and in order to insure the highest degree of accuracy possible the Census Bureau was authorized to gather and issue the ginner's report. What has been the result of their labors? So accurate have been the estimates of the one and so complete the reports of the other that these professional cotton estimators have been thoroughly discredited and have practically been driven from business. I could call their names. Some of them, the avowed representatives of the Lancashire spinners, invariably overestimated the crop from half a million to two million bales. These two Bureaus have proven of inestimable value to the grower as well as to the consumer of cotton, and neither will be discontinued, and at all times they should be free from attack by those who have their own best interest at heart.

The gentleman from Georgia [Mr. LIVINGSTON] further complains that the Bureau's estimate of December 3 is higher than the average of estimates heretofore made by the Liverpool and other cotton exchanges throughout the country. That is true, but the ginner's reports issued by the Census Bureau since then confirms the correctness of the Bureau estimate, and shows conclusively that it is more accurate than all others; and to meet this embarrassing situation the insinuation is thrown out that the Census Bureau's ginner's reports are all wrong. It is said that the president of the National Ginners' Association says so. Well, that is an issue which could easily be put to test, and the Census Bureau invites it. All this I have said in order to show what basis there is in fact for all this dissatisfaction about which we have heard so much.

Now, gentlemen, I will address myself to this resolution, giving you your committee's reason for the recommendation they have made. In the first place, more than three years ago, at the time the census act was under discussion by Congress, there was placed in the RECORD by the senior Senator from Iowa [Mr. ALLISON], a letter addressed to him by the Secretary of Agriculture, giving in full all sources and kinds of information upon which the statistician based his crop estimates.

This letter, which I brought to his attention, gives exactly what the gentleman from Georgia asked for in his resolution, except that part asking for all data in detail upon which the estimate was based. This latter request your committee regarded as wholly unnecessary and impracticable. In the first place, as was said by the statistician in the hearings before the committee, to comply with that part of the resolution would call for the printing of a wagonload of letters and reports. This being manifestly impracticable, what remained for your committee to do? We substantially comply with that part of the resolution by having the statistician take a typical cotton State, the gentleman's own State—Georgia—and have him give in detail the estimates from every source of information used by him in making his final estimate of the crop in that State. All this is printed, furnished the gentleman from Georgia, and placed in the hands of every Member of this House. It was a compliance with the spirit if not the letter of this resolution.

Now, permit me to show you the care and accuracy of the Bureau of Statistics in making its crop estimate.

First, what are the sources of information upon which the Statistician bases his estimate? I will name them, and I want the gentleman from Georgia [Mr. LIVINGSTON] in his fifteen minutes' reply to put his finger upon one flaw in the system, or point out a single means by which the estimate can be improved. If he will do that instead of coming here and blindly attacking it he may render a real service to the producer of cotton. In my opinion, to come here and make an assault upon this system without any effort whatever to point out means by which it can be improved is to do an injury to the producer of cotton.

Now, let us take the State of Georgia and scrutinize the Bureau's sources of information in that State upon which it relies in making its estimate of the crop. In the first place, it

has in that State a State statistical agent who transmits to the Bureau after careful investigation his estimate of the crop. What character of man is he? He is an ex-governor of that State, a Democrat serving under a Republican Administration. From this fact it is evidently the purpose of the Agricultural Department to get only those of intelligence and character, whose estimates would be honest and would command the confidence of the people. The State agent makes his estimate and sends it to the Chief Statistician.

Mr. LIVINGSTON. What was his estimate?

Mr. BURLESON. I can give it to you in a moment.

Mr. LIVINGSTON. That is one of the things we have been trying to get.

Mr. BURLESON. It is in the hearings which are made part of the committee's report on your resolution. His estimate was 206 pounds of lint cotton per acre in the State of Georgia.

Now, what next? The Bureau also has its county correspondents; each sends in his estimate for his own county, and all these are averaged. Remember that this system has been long building up, has been going through years of improvement, constantly eliminating those correspondents who have been found to be least accurate or who, for any reason, have not given accurate estimates of the crop coming within the scope of their jurisdiction. It has county correspondents covering every county growing cotton in Georgia.

What next? It has its township correspondents in every township in Georgia, each making his estimate and all subsequently being averaged. It also secures the estimates of the ginners, and these, too, are averaged. These estimates are not the ginners' reports which are furnished the Census Bureau. The census deals only with the cotton actually ginned, but the ginners furnish the Bureau of Statistics with the amount ginned to date and also the amount yet to be ginned. It also secures estimates of the bankers and merchants and of the planters themselves, and, last, it has its own special field agents, who also furnish an estimate—seven sources of information, each independent, neither one of them in touch with the other.

Now, gentlemen, I want to show you how accurate these sources of information are. In this very estimate of December 3 from Georgia the township correspondents estimated 203 pounds of lint cotton per acre; the State statistical agent estimated 206 pounds of lint cotton per acre; the ginners estimated 212 pounds; the bankers and merchants, 205 pounds; the special field agents, 205 pounds; the county correspondents estimated 203 pounds per acre, and the planters themselves estimated 221 pounds per acre, the highest estimate that was made for the State of Georgia.

Note the marvelous uniformity of these estimates. It is not at all strange that with this system, which is very near perfect, an expert statistician could take these estimates and reach a result approximately close to the crop to be made. The statistician adopted 205 pounds per acre as his estimate, 2.9 pounds below the mean average, and in this report he gives his reason for so doing.

Now, because the Statistician did not take the highest estimate, because he did not take the planters' estimate, can the gentleman from Georgia [Mr. LIVINGSTON], who represents a cotton-producing constituency, be justified in complaining? The gentleman from Massachusetts [Mr. LOVERING], who is a spinner, might complain, but not the gentleman from Georgia, if he has at heart the real best interests of his constituents.

Mr. LIVINGSTON. I have made no complaint, sir.

Mr. BURLESON. He makes no complaint, but is dissatisfied. The complaint originally made was that this estimate of 12,162,000 bales, made December 3, was 600,000 bales too high. Following, as it was sure to follow, came the Census report of the ginners to December 13, which shows 11,971,477 bales ginned, a confirmation of the Bureau of Statistics estimate. As a matter of fact, it shows the estimate to be too low rather than too high. Will the gentleman complain because it is too low? And still there is talk about dissatisfaction! The dissatisfaction can only come from the source that I have indicated. I have here a letter that has just been handed to me by the chairman of the Committee on Agriculture, a letter addressed to Mr. Hyde, the Statistician. It is from the president of the Texas Cotton Growers' Association, of Texas. I will read it. It is dated January 2, 1905:

MY DEAR MR. HYDE: As the year rolls by and has shown conclusively that your estimates of December 3, which proved so disastrous to the cotton-growing interests of this country, were nearer right than were anticipated at that time, I wish to congratulate you on same, and to show our appreciation had resolutions passed yesterday at Dallas approving and recommending your Bureau.

I, like the balance of the cotton world, was entirely unprepared for

any such enormous crop, and now the only question before us is to handle and protect same, so as to secure a living price for our products. With best wishes, etc.

This letter surely does not indicate dissatisfaction on the part of cotton growers, but it does testify to the accuracy of the Bureau's estimates, and bearing further on their accuracy I avail myself of the privilege accorded me by the House and will embody here a letter recently addressed to me by the Statistician:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF STATISTICS,
Washington, D. C., December 31, 1904.

SIR: In compliance with your recent request, I have the honor to send you the following table, showing for each of the last five years this Department's preliminary estimate of the cotton crop of the United States, as published in December of each year, exclusive of linters and sample cotton, and the total amount of cotton, inclusive of linters and sample cotton, marketed in the corresponding years:

Year.	Estimate of actual growth, as published in December, exclusive of linters and sample cotton.	Commercial movement, including linters and sample cotton.
	Bales.	Bales.
1899.....	8,900,000	9,142,838
1900.....	10,100,000	10,401,453
1901.....	9,674,000	10,682,965
1902.....	10,417,000	10,725,422
1903.....	9,962,039	10,111,417

The estimates of the amount actually grown are not strictly comparable as they stand with the so-called "commercial crops," which represent the amounts marketed, inasmuch as each commercial crop includes not only from 2½ to 3 per cent of linters and sample cotton, known commercially as the "city crop," but also cotton brought forward from preceding years and so much of the crop of the succeeding year as may have been marketed prior to September 1; while, on the other hand, a deduction has to be made for cotton of that year's growth marketed during the preceding commercial year or carried forward to the year following.

Independent of these adjustments the Department's preliminary estimate of the crop of 1899, made, it should be remembered, before the entire crop was gathered, differed only 2.6 per cent from the amount marketed that year; that of the year 1900, 2.9 per cent; that of 1902, 2.9 per cent, and that of 1903, 1.5 per cent.

Only once in the last five years, namely, in 1901, was there any wide discrepancy between the Department's preliminary estimate of the amount grown and the commercial crop. That year the difference was so great—9 per cent—that a special investigation was made by field agents with a view to ascertaining its cause, and it was found that while the Department's estimate of the amount grown was 989,000 bales less than the commercial crop proved to be, the estimate differed only 292,000 bales, or less than 3 per cent, from the actual crop. The reason for the apparent great discrepancy was that in addition to 172,226 bales of linters and 67,343 bales of sample cotton rebaled, the commercial crop of that year included 528,900 bales grown in preceding years and brought out by the high prices which then prevailed and 198,190 bales of the crop of the following year marketed prior to September 1, 1902; there being, on the other hand, 115,550 bales of the crop of 1901-2 marketed prior to September 1, 1901, and 154,592 bales of the same crop carried forward to the year 1902-3, leaving an actual growth in the year 1901-2 of 9,966,478. These adjustments are shown for the several States in the table at the head of page 645 of the Statistical Appendix to the Department's Yearbook, a copy of which appendix is sent herewith.

The amount of cotton held over by planters from one year to another varies considerably, as you know, as does also—although this is a less important factor—the amount of cotton marketed before September 1, and consequently included in the commercial crop of the preceding year. But while for this reason there may be a considerable difference between the amount grown and the amount marketed in any single year, the totals for a series of five or more years ought not to be greatly at variance, and it is in a comparison on a five-year basis that the accuracy of the Department's figures is most strikingly revealed. The total amount of cotton marketed in the United States in the five years ending August 31, 1904, was 51,044,125 bales, while the sum of the preliminary estimates of this Department, issued annually in December, plus 2½ per cent for linters and sample cotton (admittedly a conservative estimate), was 50,279,365 bales, a difference of only 764,760 bales for the five years, or 152,952 bales per annum. When it is remembered that in not a single one of these five years did the Department overestimate the crop, this close correspondence (within 1.5 per cent) becomes all the more significant.

With regard to the ginners' reports published at frequent intervals by the Bureau of the Census, I not only regard them as of the utmost value in themselves, but I consider the continuance of their publication by the Census Bureau as absolutely essential to that perfect cotton-reporting system which the magnitude of the cotton interests of the country demands, and which I fully believe will in the very near future be so strongly entrenched in public confidence that nothing can discredit it.

Very respectfully, yours,

JOHN HYDE, Chief of Bureau.

Hon. A. S. BURLESON,
House of Representatives.

I confidently assert that for the five years this Bureau has been in existence it has been more accurate in its estimates of the cotton crop than any other estimator, be he the representative of foreign spinners, or of the New York Cotton Exchange, or any other exchange.

Mr. Speaker, there is no reason why this resolution should be adopted and every reason why it should be disposed of as recommended. We have indicated to the author of this resolution, not alone the general plan used by the Agriculture Department in making crop estimates, which was fully set forth in the CONGRESSIONAL RECORD years ago, but we also took a typical cotton State, his own State, and gave him detailed information with reference thereto, showing exactly how the Chief of the Statistical Bureau made his estimate of the crop.

Mr. WADSWORTH. And the methods employed in it.

Mr. BURLISON. Yes; and the methods employed, showing that in all other cotton States they were identical with the methods employed in the State of Georgia.

In conclusion, I ask the House—not that there is anything to conceal or that anything is to be covered up, but because it is wholly unnecessary to bundle before this body wagon loads of reports and letters and have them printed—that this resolution be disposed of as the Committee on Agriculture recommends—that is, be laid upon the table. [Applause.]

Mr. WADSWORTH. Mr. Speaker, I would like to ask the gentleman from Georgia if he wishes to use any of his time now?

Mr. LIVINGSTON. I will wait to hear something first from the other side.

Mr. WADSWORTH. Then I yield twenty minutes to the gentleman from Massachusetts [Mr. LOVERING].

Mr. LOVERING. Mr. Speaker, whatever may have been the purpose of the gentleman from Georgia [Mr. LIVINGSTON] in offering his resolution, I think it must be apparent to him now that the estimate of the Bureau was not excessive. I believe that the reports of the Bureau of Agriculture and the Director of the Census are accurate and are of incalculable value to both the grower and the spinner of cotton. I do not think there is any necessity even to go to them to find out what the crop of cotton was during this season. There are estimates made entirely outside of the Department which tally wonderfully well with those that are made by the Department. Take the Financial Chronicle, of New York—I do not believe there is an organ in this country that takes more pains and spends more money to get an honest estimate of the acreage and of the crops and products of this country than does that paper. This journal gave out its estimate of cotton acreage as over 32,000,000 acres.

It was apparent to men accustomed to figure on the cotton crop that under favorable conditions there would be an enormous crop this year. Taking the increased acreage and the periodical reports of the condition of the crop, running as they did very much higher than last year, it was perfectly possible to figure out the relative increase in the crop provided nothing happened to give it a setback. Nothing did happen.

As long ago as last June it was estimated that if this crop should turn out at the rate of 200 pounds of lint to the acre, which was a reasonable amount then, with the 32,000,000 acres planted, it would amount to 13,000,000 bales; and I can easily understand how as it goes up to possibly 220 pounds of lint, it will be nearer 14,000,000 bales than 13,000,000 bales to-day.

Another consideration not to be lost sight of is the very high character and grade of cotton grown this year. Among cotton men middling upland cotton is regarded as the standard grade, and when we hear of cotton quoted on the cotton exchanges it means middling upland cotton. It does not mean that the farmer has got to take the price of middling upland for his cotton, for the chances are that his cotton this year will grade much higher on the average. Undoubtedly more cotton will grade above middling upland this year than for many years past.

But the question is, Will this great crop prove to be a misfortune to the planter? It is hardly more of a misfortune to the planter than it is to the spinner. Let me say to you that this situation is by no means to the liking of the spinner. The truth is with this great crop hanging over him it has a tendency to unsettle market values of his products. He can not sell them to-day, and spindles are stopped and are stopping. The result is that even at the low price of cotton there will be less cotton consumed this year than there was last year. I have no hesitation in saying that a very large number of spindles are stopped all over the country to-day, particularly in the North.

Now, something has been said about speculators making the price of cotton. The speculator is not necessarily a gambler. A speculator is a calculator who measures conditions, prospects, and possibilities, and buys or sells an article on his judgment. If the speculators were to be called into court, you would call in every third cotton planter in the South. What do they do? They raise a big crop of cotton and then sell against it in the markets of New York and New Orleans. They are just as much speculators as anybody else. They hold it back, but they

will not burn it. The spinners say to them: "Very well, if you want to hold back your cotton, hold it back; you can pay the interest on it, you can pay the warehouse charges on it, you can pay the insurance on it and keep it; we will take what we want and when we want it." That is the attitude of the spinners to-day. I am sorry to say it is so, but the spinner is not making any money out of this situation.

Now, what has the planter done? Allowing there are 13,000,000 bales this year, which is clearly foreshadowed by the ginners' report, he has disposed of six and a half million bales at a good price. He has disposed of it at a price which has yielded him between 9 and 10 cents a pound. If he was to sell the balance for 5 cents, just see where he stands. He will get \$455,000,000 for his crop this year, which, added to \$625,000,000 that he received last year will amount to \$1,080,000,000, or an average of 9.40 cents per pound.

That will give him, on the two years taken together, a profit of 50 per cent. Now, show me any business in this country that can compare with that. I do not believe that the cotton spinners of the whole country have averaged to make over 5 per cent.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I do not rise to ask the gentleman a question about the profit he speaks of, because as a planter I would be delighted to be convinced that I have made 50 per cent profit. But I want to ask the gentleman this: Does not the gentleman think it would be right, while gathering these statistics on the one side, that we should gather them on the other side with equal freedom?

Mr. LOVERING. If I understand what the gentleman means, I should not object.

Mr. WILLIAMS of Mississippi. And that the manufacturers ought to report once a week, or at whatever time is fixed, at the same time that the other reports are made, on the amount of cotton on hand, the amount purchased, the amount spun and woven, and the amount of cotton exported meanwhile to Europe, so that the consumption side of the question may be quoted in statistics side by side with the production side?

Mr. LOVERING. Personally I would have no objection to that, though I do not think it would accomplish what the gentleman desires. I am a cotton spinner and I am interested in the running of many cotton-gins; so I have interests on both sides of this question. Now, I say this, that the low price of cotton is by no means an unmixed evil. What was the result last year? From what are we suffering to-day? It is from the debauch in last year's speculation. There is no doubt of that. The high price received for cotton then stimulated an extraordinary effort to cultivate cotton to the utmost limit. The result was that every man who had an acre of land to plant planted it, and going through the South, as I did last June and as I have done this fall, I was tremendously impressed with what I found. I saw the cotton planted to the very edges of the road, and cultivated as I never saw it cultivated before. And what wonder is it? These people were told that they would never see the price of cotton below 10 cents again, and they put in the cotton. I sympathize with them very much. They prayed to God that He would send His abundant rains and give them a bountiful harvest. He has answered their prayers. They have got their harvest. They have a greater harvest than the world has ever seen, and the price of cotton will be lower, in my judgment, than the world has ever seen. But it is not an unmixed evil. With what were they threatened last year? Simply this: Every nation on earth that had use for cotton was seeking out new fields in which to grow cotton.

Now, this year has put a damper on all that, and it will discourage the movement. No matter if cotton is sold at a low figure and goes as such into consumption, there is no place on earth where cotton can be grown as well and as cheaply as in the South, and these countries will see it. The only thing that induced them to look about for new fields was the great price they were compelled to pay last year. This will stop all of that. They will not put in cotton this year; they will not plant it. Of course there are certain countries that will always do it. Egypt, India, Russia, and Brazil will always raise a certain amount of cotton, but they will not seek new fields. They would, however, if cotton had remained above 10 cents.

Mr. BARTLETT. Mr. Speaker, may I ask the gentleman a question right there? Does not the gentleman know it to be a fact that, in spite of all this guessing by the Department and the report of the ginners' statistics from the Census Bureau, the cotton that has come into the ports, the cotton that has come in sight each day, has been about half as much as it was last year? In other words, the receipts of cotton at ports and towns yesterday, the day before, and for a week or ten days past have not borne out the statement made by either the Agri-

cultural Department or the Census Bureau as to the twelve millions and more bales of cotton.

Mr. LOVERING. But what does that amount to? Does not the gentleman know that it is the boast of the planters in the South that they are holding their cotton to-day? Does not the gentleman himself admit that he is holding his cotton, several hundred bales that have not come forward?

Mr. BARTLETT. I admit that I have held all that I made. [Laughter.]

Mr. LOVERING. In making that reply the gentleman answers his own question.

Mr. BARTLETT. I do not think it does.

Mr. LOVERING. It shows there is nothing in it.

Mr. BARTLETT. The gentleman must know that every farmer in the South can not hold his cotton.

Mr. LOVERING. If the gentleman will have an answer I will give it to him. I can say this, that the banks in the South are helping the farmer all they can.

Mr. BARTLETT. Yes.

Mr. LOVERING. The only trouble is that banks are getting nervous and are calling in their loans and margins. The gentleman knows that, and that is what is pinching.

Mr. BARTLETT. If the gentleman will pardon me, almost every farmer who owed a bank paid it in my part of the country.

Mr. LOVERING. Oh, that may be, but there are six and a half million bales of cotton to come forward. It takes a great deal of money to carry it, and all of the farmers may not be as fortunate as those in the gentleman's own district.

Mr. BARTLETT. The State in which I live produces more cotton than any other State except Texas. I happen to come from a pretty good cotton-producing State.

Mr. LOVERING. As the gist of a love letter is in the postscript, so the gist of a resolution is in the preamble. The preamble of the gentleman's resolution complains that there is great dissatisfaction and want of confidence in the reports of the Department of Agriculture, and yet he keeps reiterating that he has no complaint to make. What, then, is all this talk about?

Mr. BARTLETT. The gentleman will permit me to say this: I think this resolution very unfortunate myself, because the report from the Agriculture Department and the Bureau of the Census would not have been borne out by the receipts from the cotton crop. But now, since we have this showing, it will probably sustain the report of the Agriculture Department and the census report.

Mr. LOVERING. The ginners' report, as made by the Director of the Census, corroborates the Agricultural Bureau's report.

Mr. BARTLETT. Pardon me; I want to say, if the gentleman will permit me, so far as the ginners' report in the district I live in is concerned, I think the Census Bureau and everyone can rely on it with absolute confidence.

Mr. LOVERING. I am glad to hear the gentleman say it. Now I want to address myself to one other phase of this question. I am absolutely in sympathy with the gentleman from Georgia and every other man engaged in raising cotton. There are many uses for cotton to which it has never been called, and it lies in the power of this House to open up new fields for the use of cotton, as the gentleman from Georgia very properly said.

The general public is probably unaware of the fact that raw cotton is the basis of many staple or useful articles in addition to those with which all are familiar. A few of such articles are smokless powder, celluloid, artificial silk, artificial leather, photographic films, etc. Grain or ethyl alcohol is by far the cheapest of the solvents necessary to the production of such articles. Many of these articles can only be produced on a paying basis with untaxed or free alcohol. We tax ethyl alcohol at the rate of \$2.06 per gallon testing 94 per cent. Every first-class nation in the world has by legislation granted their industries untaxed alcohol. In fact, alcohol not used as a beverage is classified by these nations as raw material and as equally entitled to exemption from internal tax as pig iron or wool.

I have here samples of artificial silk manufactured in France. The basis of this product is raw cotton. To produce 1 pound of this artificial silk 2 gallons of alcohol converted into ether is absolutely necessary. The tax on alcohol is therefore prohibitive of the manufacture of this article in the United States. If Congress will bring our legislation, in so far as the taxation of alcohol is concerned, into line with that of Germany, France, and other European countries, we would manufacture this and similar articles on a large scale, and not only take from our surplus cotton crops several hundred thousand bales, but create employment for many thousands of workmen where none exists at present.

It may be questioned whether, since we import these articles, any more cotton would be consumed. To those who so believe I would say that the cost of these articles is now beyond the purchasing power of the consuming public. If the tax on alcohol for manufacturing purposes is removed these articles will be made in the United States and sold at a price which will enable the vast body of our citizens to purchase them.

Now, if you will take the tax off alcohol you will open up tremendous fields for the manufacture of products of which cotton is the chief component.

Mr. Speaker, I would like to add some statements to my remarks in the RECORD, if I may be permitted.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to print statements in connection with his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. WADSWORTH. Does the gentleman from Georgia wish to use his fifteen minutes now or will he wait further?

Mr. LIVINGSTON. I will wait.

Mr. WADSWORTH. I yield fifteen or twenty minutes to the gentleman from Tennessee [Mr. SIMS].

Mr. SIMS. Mr. Speaker, this is not a new subject to me. In December, 1903, when the report of the Agricultural Department came out as to the estimated crop grown that year—9,962,000 bales—the "bear" crowd, as it is called, criticised the Department in most vigorous fashion. Among others was an article in the Washington Post, published in this city, the Post being such a conservative and reasonable paper I thought the statement should not go unchallenged, and I took occasion on the 14th of December, 1903, to make a speech on this subject, which appeared in the RECORD of that date. I want to read a part of those remarks in the line of what I am going to say to-day. Here is one paragraph of the Post article:

When the last Government bulletin of estimates was announced the speculators ran the price up several cents. The cotton growers were naturally jubilant, but they have not been able as yet to realize anything upon their joy. The mill owners have called for a conference looking to the curtailment of production until the demand for manufactured products warrants an increase of price and warrants them in paying an advanced price for raw materials. The only beneficiaries of this gratuitous work of Government up to date appears to have been the speculators.

So you see it all depends on whose ox is gored as to what direction the cry comes from. A year ago the crowd that wanted to depress cotton was denouncing the Bureau, challenging the accuracy of its estimates, and as much as possible discrediting it. I rose then to defend the Department of Agriculture. I said then and repeat here to-day that prior to estimating by the Department of Agriculture the estimates of the growth of cotton were made every year. But by whom? By those interested in getting the cotton at the lowest prices. They were the estimators of the spinners in Europe and the exporters. They were estimated by those who were directly interested in producing the impression that large crops were grown. All the exchanges of the world universally reported the estimate of cotton grown for the current year in excess of what it turned out to be. As a rule the cotton farmer turned his cotton loose upon the price fixed by these accepted estimates. After the great bulk of the cotton had been sold by the grower the speculators organized and grabbed the remnant, and "corners" came to the country by reason of the fact that they were able to control by actual purchase the remnant of the cotton. But the farmer received no benefit from it. How were we to get estimates from a source that was not interested in magnifying the production all the time? Cotton growers individually and personally can not do this. They do not have sufficient means or resources. So we authorized the Government, through the Department of Agriculture, to do this work for the farmer. I wish to say that these estimates are marvels of accuracy when the vastness of the undertaking is considered. If you undertake to estimate how many bales of cotton will be grown, how many acres are planted to cotton in the entire cotton belt of the United States, think what a vast undertaking it is. It is impossible to be exact in the estimate of the number of bales grown, but the estimates have been so close in the actual growth as to have practically the same effect.

But on which side have they erred when they have erred at all? In every instance the estimated yield of cotton made by the Department of Agriculture has been less than it turned out to be when gathered and marketed. Who does it hurt? If it hurts anybody, it would be the spinner, would it not? It would hurt the consumer. But does it hurt the grower? Can it hurt him? Not if the best source of information that can possibly be had is to be relied upon. We have arrived at that point in the cotton world that both manufacturer and grower have learned to know the value of these reports and rely upon them, and the result is that we have information far in advance

of what the farmer used to have. Now, look at it the present year. Remember that we find in the cotton-consuming world almost famine supply. Cotton became exhausted by reason of short crops for several years. There were high prices, and there was an absolute demand for the earliest possible delivery of the present crop. No estimate of either enormous acreage or enormous yield would prevent good prices in the early stages of the present marketing season.

But let us examine whether the Department of Agriculture has been worth anything to the growers or not. Let us see whether or not their estimates have been of value to the farmer. The first estimate of condition is to May 25. That estimate includes the acreage and the condition of crops to that time and is made public usually June 3. This year the enormous total of 31,700,000 acres, in round numbers, was reported on the 3d day of June as having been planted to cotton, and the average of condition as reported at that time was 83 per cent of 100—100 being perfect. Take the acreage reported, and consider that it will make a crop which is indicated by the 83 per cent, and you have in the neighborhood of 15,000,000 bales of cotton. Does not the farmer see from the very first report that an enormous acreage was planted and that an enormous yield was promised?

Now, take the report for June, which is made on the 3d day of July. It was 88 per cent of a possible 100, an improvement over the June condition on this enormous acreage. What next? In July 91.6 per cent, the highest condition report ever made on any record yield.

The July condition, if maintained to gathering time, would have meant between fifteen and sixteen million bales of cotton. Did the farmer not have notice that he was making the greatest crop in the history of this country? Did he not have notice that the earliest picking and the earliest marketing was to his interest?

What next? Take the report for September, which includes the August condition, and what was it? Eighty-four and one-tenth of a possible hundred. That would still mean over 15,000,000 bales. On the 1st day of September our friends in Georgia and in Texas were actually ginning and selling cotton. Was it not to their interest to do so, when they discovered that the crop report warranted a possible 5-cent basis? Was it not to their interest to market the crop with the greatest possible rapidity? Now, what was the condition on the 1st of October, which gave the September condition, which is the last report issued, because the growing season is over? It was 75.8 per cent of perfect. The condition on the 25th day of September plainly showed that if maintained it meant in the neighborhood of 14,000,000 bales. Many hundreds of thousands of bales had been gathered and ginned at this time and were then ready for market, and here is a reliable Government authority telling the farmers that the United States this year is going to make probably 14,000,000 bales, showing it was to their interest to rush the cotton to market and to sell it. Without the evidence contained in these reports, what were the facts as printed in the newspapers in the month of August?

You may take the gossip of the New York Cotton Exchange, just as we got it through rumors and reports, that cotton was rapidly deteriorating, and cotton contracts for January went from 9.25 in July to 11.16 and 11.17 on the last days of August. Why? Because the manipulators and speculators were behind the move to put up prices and flooded the country with all sorts of crop-damage reports, which caused many growers to believe in great deterioration, and as a result that they would get 11 to 12½ cents per pound for their cotton, and many held back for these prices, believing the statements of the manipulators instead of accurate information from the Bureau. On account of the great scarcity of both cotton and cotton goods there was a great demand for the first cotton to come into the market this season, and this alone prevented a great slump in prices much earlier than it came. The spinners fully believed in a record crop, but their necessities were so pressing that they were willing to give good prices for early deliveries. The wise farmer believed the statements of condition and acreage pointed to a record-breaking yield, and he rushed picking and ginning and sold early and made good profits on his year's toil. But those who relied on the estimates of private sources and held have only themselves to blame.

Mr. BARTLETT. May I ask the gentleman a question?

Mr. SIMS. Certainly.

Mr. BARTLETT. How was it when the report of the Agricultural Department giving it at 90 per cent came out on the 7th of December?

Mr. SIMS. On the 3d of December.

Mr. BARTLETT. How could the farmers know what the excess would be before then?

Mr. SIMS. I was showing from the report that the condition indicated a larger crop than the final estimate. All that was necessary to see what size crop was indicated was to make a simple calculation. No accurate estimate of the size of the crop can be made until the growing season has past. As long as the plant is growing and maturing fruit it is not beyond damage by frost. The Department of Agriculture can not make a final estimate of the crop until the growing period is over in all parts of the cotton belt. Hence the 1st of December is as early as anything in the way of a reliable estimate can be made.

Mr. BARTLETT. Most of the cotton was picked on the 3d of December—picked, if not ginned.

Mr. SIMS. The greater portion of it picked, and a great portion of it ginned.

Mr. BARTLETT. Does not the gentleman know that on the 3d day of December there was very little cotton not picked; that it had been a most unusual season for gathering and picking cotton, and that, therefore, on the 3d day of December, when this report came out, that anybody could know what the condition of the crop was, so far as that was concerned, only as it was ascertained what it would be?

Mr. SIMS. Certainly.

Mr. BARTLETT. It was planted, cultivated, and gathered.

Mr. SIMS. Certainly.

Mr. LOVERING. I would like to ask the gentleman if he did not know that all during the month of December the cotton fields were white with cotton in northern Texas, Mississippi, and North Carolina?

Mr. SIMS. And some are white now.

Mr. LOVERING. And some are waiting yet.

Mr. BARTLETT. On farms where the people are not able to pick it.

Mr. SIMS. The point I am trying to get at is that the Government's reports on conditions put growers on their guard, and if my genial friend from Georgia held his cotton back he had a right to do it; but certainly he can not blame the Department of Agriculture because it told him the conditions and the acreage were such as to warrant a larger yield than was finally estimated and reported December 3.

When this resolution was first mentioned in private conversation I was opposed to its consideration. Why? At that time the ginners' report had not come out for the December ginning, and I honestly believe a Government estimate of 12,162,000 was too low. I further believe that if we had the facts upon which this report was made, and those facts were made public, the bear element of speculation would seize upon them and magnify the crop, representing it to be even beyond what the Government estimated it; but since that time the ginners' report has come out and has absolutely confirmed the estimate of the Agricultural Department, and if we are to challenge its correctness it must be upon the side of conservatism.

A year ago I pleaded that this was the only reporting agency upon which the farmer could rely, and that every error it had ever made had been in favor of the producer. Why seek to bring it into disrepute and discredit right at a time when the whole world has learned to rely upon it by reason of its marvellous accuracy?

But it does not stop at that. This criticism now goes to the ginners' report. They say the ginners did not make reports. The fight is to abolish both the Agricultural Department estimate and report of conditions and to abolish the Census Office report, if the spirit of the criticism means anything as I read it in the press. Now, I wish to read here a letter from the Director of the Census on the question whether or not he is willing that the Members of this House or any other reputable persons shall know all that he knows:

CENSUS OFFICE,
Washington, D. C., January 5, 1905.

HON. THETUS W. SIMS,
House of Representatives, Washington, D. C.

DEAR SIR: I have your letter calling my attention to the statement of Mr. J. A. Taylor, president of the so-called Cotton Ginners' Association, to the effect that the census report of the amount of cotton ginned to December 13 is "totally incorrect," and also referring to newspaper statements from different parts of the country that this report is made up largely from the estimates of the Census Office agents and not from actual returns by the ginners.

In reply to these statements, I extend to you an invitation to visit the Census Office, where every facility will be given for examining and checking the returns upon which the census report was based. Every phase and feature of this work is open to the inspection of reputable persons representing any branch of the cotton industry, and I am particularly anxious that the invitation extended should be availed of by some one who represents the cotton producers themselves.

Very respectfully,

S. N. D. NORTH, Director.

Mr. Speaker, I should like to have read from the Clerk's desk two letters, one from the Atlantic Compress Company, of Atlanta, Ga., and another from W. C. Craig & Co., cotton buyers of Vicksburg, Miss.

The SPEAKER. The letters will be read in the time of the gentleman.

The Clerk read as follows:

ATLANTIC COMPRESS COMPANY,
Atlanta, Ga., January 2, 1905.

Hon. S. N. D. NORTH,
Director of the Census, Washington, D. C.

DEAR SIR: This acknowledges receipt of your Special Bulletin No. 9, which I have noted with interest.

The writer is president of this company, with headquarters in Atlanta, and of the Gulf Compress Company, with headquarters in Memphis, the two companies handling, through their properties, upward of 2,000,000 bales of cotton annually, the movement so far this season being unprecedentedly large.

I am also largely interested in twenty-odd big cotton gins in Georgia and Alabama; am secretary and treasurer of the Alabama Ginners' Association and also of the Georgia Ginners' Association, and I know something about the Texas Ginners' Association and of the so-called National Ginners' Association, which the southern newspapers have been boosting up a good deal during the past three or four weeks.

I attended the meeting called in Atlanta a few days ago by President Taylor, of the National Ginners' Association, and I listened with interest to what he had to say.

President Taylor succeeded in attracting to his largely-advertised meeting here only about 30 men, and I observed that some of those were not interested in gin properties. The writer probably represented at that meeting more gin property than all of the others combined, excepting possibly the gins belonging to the Southern Cotton Oil Company, which company had two representatives at the meeting, but they had practically nothing to say.

President Taylor thinks that your report is wrong, and that the South has suffered as a result.

At the proper time, I hope, I argued that your report was right, going back to the inefficiency of your work and following it along, period by period, up to to-day, maintaining that the withholding by certain ginners of any record of what they were doing did not seriously affect the situation, and made, I trust, some rather pointed illustrations, which were not challenged in the course of debate.

Again, I took as a basis for my belief, without regard to any knowledge of the care with which your data is accumulated and compiled, my own ginning interest in Georgia and Alabama, which shows an enormous increase this season over last season or any other season.

Furthermore, I took up the record of the compress plants of the two companies of which I am president, pointed them to the middle of the season from a compression standpoint, based upon the average of five years, and then told them how much cotton we had handled this season to the middle thereof as against the record for the middle of last season and of previous seasons. This increase would indicate to my mind that if your report is not right it is due to your having reported less cotton than has actually been ginned.

I argued that correct information with reference to the cotton crop was a good thing. I stated that the interest which I represented was instructed to furnish the Government with correct figures regarding the amount of cotton ginned; that I should not hesitate to dismiss from our service any employee who willfully violated these instructions, and that I thought it to the interest of every other ginner to do likewise.

I further argued that there was nothing practicable in the scheme of the National Ginners' Association; that they were lacking in organization and in means with which to conduct the work even with an organization, etc.

I thought I could observe a disappointed look in the faces of President Taylor and his supporters, so I concluded my remarks with the statement that I was not present at their meeting as an obstructionist; that I was quite willing to put my gins into the organization and lend it material and moral support, provided there were no conditions in it which would have the effect of handicapping in any way the Census Bureau at Washington in its efforts to furnish the country with correct information regarding the production of cotton; that to my mind through the Census Bureau was the only practicable way to obtain this data.

I then discussed the advantages of correct information to the producer as compared with estimates of "Tom," "Dick," and "Harry."

Since the meeting referred to I have read a letter of yours to one of our Congressmen, which has been published in the papers, and I regret to note your apparently pessimistic attitude on the subject of future reports. Really I do not think there is much happening in this part of the country to discourage you in your efforts, and only wish that I had an opportunity of talking the matter over with you instead of briefly expressing a few thoughts by letter.

Very truly, yours,

C. C. HANSON,
President.

VICKSBURG, MISS., December 31, 1904.

Mr. S. N. D. NORTH, Director, Bureau of Census,
Department of Commerce and Labor, Washington, D. C.

DEAR SIR: We have read with much interest your letter addressed to Hon. A. S. BURLESON, of Texas, and also Mr. BURLESON's views upon the contents of your letter. We wish to assure you that we heartily and thoroughly agree with everything you have to say in your letter to Mr. BURLESON and equally so with what he has to say to you.

We are interested in both the production and consumption of cotton. We own property in Mississippi, are natives of this State, and through financial concerns, in which we are interested or control, make extensive advances to farmers to grow cotton. On the other hand, we own mill stocks in the South and in New England, and we feel that it is not amiss for us to let you know that you have our unqualified indorsement of your position in the subject-matter of your letter to Mr. BURLESON.

We think it would be the greatest misfortune that could possibly happen to the cotton farmer of the South to have the census ginner's report abolished.

We can not believe that the newspaper reports voice the sentiments of the best people and the thinking people of the South. What the cotton farmer, the cotton merchant, the cotton spinner, and the banks of the South desire is to know the truth.

We remember quite well the fall of 1899, when the South was

gathering and marketing one of the most dismal failures of a cotton crop, yet the price of cotton was unduly depressed until the great bulk of the crop had been marketed, simply because local crop estimators figured the crop at about 2,000,000 bales above what it proved ultimately to be. If there was no way to get at the facts, these same estimators would, in the due course of time, have control again. As it is to-day, the famous local and foreign crop estimators have all been relegated to the shade, and their estimates have practically no effect, whether large or small, on the cotton market of the world.

Just at this time the southern people are stunned and depressed at the tremendous shrinkage in the value of cotton, and they are saying and doing things that we do not believe under cooler moments they would even consider.

We greatly appreciate the census ginner's report, and hope that it will be continued and that the service will continue to improve for years to come.

Yours, very truly,

W. C. CRAIG & Co.

Mr. SIMS. These letters show that the confidence of those most to be affected by the work of the Census Bureau is unshaken.

Whatever may be said as to the advisability of making estimates of the growth of cotton by the Department of Agriculture, certainly no reasonable objection can be made to the system of reporting the amount of cotton ginned to stated periods, as is now being done by the Census Bureau under the very able supervision of Director North. These reports are so valuable to the whole cotton trade that they should be made as frequently as practicable. All that is necessary to do this is to increase the appropriation for that purpose. I think these reports should be made every two weeks, beginning with September 1. But how is this to be done without increasing the appropriation? If the appropriation for this purpose is doubled, then the reports can be doubled.

Mr. Speaker, I have no objection to the organization of the ginners, but the character of organization proposed, as I see it, can not possibly be as efficient and as beneficial as the reporting to the Census Bureau as now. The ginners will have to be at all expenses incurred in keeping and making these reports. They will not have the franking privilege and their expenses for postage alone will be very heavy. They must have offices and a salaried office force. All these expenses will have to come out of the pockets of the members of the organization. How are they to recoup themselves? Will they become dealers in cotton or will they sell their information or make it public free? All the information that this proposed organization can possibly procure is now procured by the Government without one cent of expense to the cotton grower or ginner, and is made public for the benefit of all the world.

When the question of making the Census Bureau permanent was being considered by this House, one of the strongest arguments made in its favor was the great benefit it was to be to the cotton grower in gathering and making public cotton statistics. If my good friend, the gentleman from Georgia [Mr. LIVINGSTON], who is the ranking minority member on the Appropriations Committee of this House, will only use his influence and energy in securing a sufficient appropriation to have these reports from ginners made and published every two weeks, he will confer a lasting benefit on the cotton growers of the South. I know he is friendly to such an idea, and I hope he will take this matter up and push it with his characteristic energy and ability.

I notice in some of the newspapers it is stated that some ginners have recently refused to make reports when called on by the Census Bureau, and that some have made incorrect reports. I don't believe that such a thing has been done to any great extent, but to whatever extent it is greatly to be deplored, and if the ginners, who in the main are cotton growers, are so shortsighted as to be guilty of such indefensible conduct, it will result in a discontinuance of this work of the Census Bureau at a time when it is being made almost perfect and furnishes free to the growers the most valuable information which it is possible to furnish them, and from an absolutely reliable and disinterested source.

In this connection I wish to read and make a part of my remarks a clipping from the Washington Post of December 30, 1904, being a letter from the Director of the Census to the gentleman from Texas [Mr. BURLESON], and an interview of Mr. BURLESON.

Director of the Census North, in a letter to Representative BURLESON, of Texas, made public yesterday, takes notice of the situation presented by the cotton statistics given out for publication Wednesday, and expresses his surprise and concern at the recent alleged movement in the Southern States, "apparently approved and augmented by the cotton growers themselves," to destroy the census reports by the concerted refusal of the ginners to make returns. Director North asserts that a continuance of the cotton ginning reports is impossible without the sympathetic and whole-hearted cooperation of the ginners of the South.

Immediately after the receipt of the letter, Mr. BURLERSON, a member of the House Census Committee, and who was the author of the provision making appropriation for the gathering of the cotton statistics, gave out an interview in which he upholds the Director in the work now being done by his Bureau. Director North's letter is as follows:

DIRECTOR NORTH'S LETTER.

WASHINGTON, D. C., December 29, 1904.

Hon. ALBERT S. BURLERSON,
House of Representatives, Washington, D. C.

MY DEAR SIR: It seems proper to invite your attention to certain anomalous conditions which confront the Census Office in carrying out the provisions of section 9 of the act to establish a permanent Census Office, directing the periodical collection of the statistics of cotton production through the agency of the ginners. This provision was inserted in the law at your urgent request and that of other southern Representatives, on the plea that it was necessary for the protection of the cotton producers against the speculators and others interested in depressing the price of the staple for their own profit. It was urged that enormous losses resulted from the untrustworthy estimates put forth every year by speculators and agents of the Liverpool market, and that early and trustworthy official information regarding the size of the crop would protect the grower, disarm the speculator and market manipulator, and permit the law of supply and demand to regulate the price.

Since the law was passed Congress has appropriated and this Office has disbursed more than \$125,000 a year in the collection and dissemination of this information. The system has been gradually perfected until it has become more nearly perfect than any similar plan for obtaining exact knowledge of the size of any agricultural crop during the progress of harvesting. No complaint has been made that the census reports are not accurate; indeed, for a year or two past, we have been able to trace the crop so closely that practically every bale has been accounted for.

The statistics increase in value every year, for it becomes possible, by comparison of the statistics of one year with those of the same date in preceding years, to judge the size of successive crops with an accuracy never before known or approximated.

The ginning reports of the Census Office have crowded out the speculative and interested estimates referred to, and the single object which the southern Representatives had in view in urging this legislation has been successfully accomplished.

In view of these facts, I have been surprised and concerned at the present movement in the Southern States, which is apparently approved and augmented by the cotton growers themselves, to destroy the census reports, by the concerted refusal of the ginners to make the returns upon which they are based. Thus far the movement has not seriously affected our work, but if it continues and spreads, it will necessarily destroy its value during the coming year. It appears to have been suddenly discovered that these reports, undertaken solely at the demand of the cotton grower, are highly detrimental to his interests. Mr. E. F. Webber, president of the Memphis Cotton Exchange, is quoted as declaring that "the cotton interests of the South have everything to lose and nothing to gain by their continuance; they put the manufacturing interests in possession of information which works irreparable injury to the South."

My attention has also been called to the so-called "National Cotton Ginners' Association," the purpose of which is stated to be "to gather accurate and reliable information regarding the amount of cotton produced, in advance of the Government report." It also appears that "this information is to be sent in code; and the members of the association will be sworn not to divulge it." The information is still highly desirable, but possession of it is to be restricted to those who grow and gin the cotton.

I can understand the disappointment of cotton growers at the present prices of cotton, and their feeling that these prices are due to the unusual size of this year's cotton crop, early and definite knowledge concerning which has been given to the public by the census reports. But I confess myself unable to follow the reasoning which leads the growers, and through them the ginners, to imagine that it will be to their advantage, because of this exceptional situation, to destroy the efficiency of the official machinery through which they learned the present situation, early knowledge of which has undoubtedly extended the change in the price of cotton over a much longer period, and thus saved the growers and the country from larger losses than would otherwise have been encountered in connection with this year's crop. It would seem to be plain that in the long run, taking one year with another, only one thing can decrease the speculative element in the business of cotton selling, and thus permanently benefit the cotton grower, and that is knowledge of the exact truth as to size of the crop, from an absolutely impartial and trustworthy source, at the earliest practicable dates. This was the unanimous contention of the southern Representatives in Congress when the law was passed.

It is not my purpose, however, to argue the matter. I simply desire to call your attention to the fact that the continuance of the census cotton-ginning reports is impossible without the complete, sympathetic, and whole-hearted cooperation of the thirty-odd thousand ginners of the South. The Census Office can not enter into competition with a cotton-ginners' association which proposes to gather the same data "for private information only." Moreover, it can not continue to promulgate statistics of the quantity of cotton ginned to certain dates after it has reason to believe that these reports are no longer correct in consequence of a concerted boycott by the ginners. Otherwise it would be guilty of the identical evil of misrepresentation its reports were established to prevent. The Census Bureau has no interest in the matter whatever beyond the discharge of its duty as established by law and the maintenance of its reputation for the compilation and publication of accurate statistics.

I have, therefore, decided to notify you in this manner, and through you the cotton growers of the South, that the continuance of the movement which they have begun will necessarily result in the discontinuance of the cotton-ginning reports of the Census Office, for without the hearty and general cooperation of the ginners those reports would become valueless and their compilation an unpardonable waste of public money. The situation would then revert to what it was five years ago.

But after the private and interested estimates controlling the market price have again for a few years been too high, as they undoubtedly

will be, and the repeated losses of the cotton growers in consequence have again convinced them that the change they demanded in 1901 was a wise one, it will be far more difficult, and may be impossible, to induce Congress to reestablish a system which the cotton growers set up once before only to tear it down when it chanced that a knowledge of the facts was to their disadvantage.

I deem it my duty to acquaint you with the probable course of the Census Office, in order that you may take any steps which may seem to you desirable or necessary in connection with the matter.

Very respectfully,

S. N. D. NORTH, Director.

Upon receipt of the letter, Mr. BURLERSON gave out the following statement:

MR. BURLERSON'S STATEMENT.

Believing that it was to the interest of the producer of cotton to eliminate as far as possible the speculative element from entering into or affecting the market price of his product, I caused to be embodied in the act making the Census Bureau permanent the original item providing for statistics of cotton ginned during the current year, and the result of the Census Bureau's labors in carrying into effect this provision has materially aided in accomplishing this end. The result has not influenced a change of opinion on my part.

If I may be pardoned a personal allusion, a grower of cotton myself, having frequently experienced the damage occasioned by the high estimates and cocksure assertions put forward by those acting for speculators and cotton gamblers, I felt the necessity of some impartial source of information which would be as accurate as possible. This the Census Bureau has proven itself to be.

I concur in every word contained in this letter of Mr. North, and feel that it would be nothing short of a calamity if the ginners should at any time fail to furnish prompt and accurate reports to the Census Bureau. To fail to report to the Census Bureau will only play into the hands of the cotton gamblers, and will serve to promptly reestablish alleged statistical agents, who are now, thanks to the Bureau of Statistics of the Department of Agriculture and the Census Bureau, thoroughly discredited. If during next year, as a result of decreased acreage and imperfect weather conditions, there should be a short crop, which is not improbable, then the ginners' reports issued by the Census Bureau would again be in high favor by the cotton growers. What is wanted and what is really always to the interest of the cotton grower is a prompt knowledge of the exact truth.

It is my purpose to prepare and offer at this session of Congress an amendment to the census act providing for the collection and publication of accurate statistics of the number of bales of cotton consumed each year and the surplus of cotton held in the hands of the manufacturer, and the number of bales exported. This is necessary and only fair to the grower of cotton. He should promptly have this information, as the manufacturers of cotton throughout the world are given knowledge of the number of bales of cotton grown.

I have discussed this with Senator BAILEY, of my State, and he agrees with me as to the importance and necessity of this amendment, and agrees to lend a helping hand in securing its adoption.

Mr. Speaker, the effect of this great work by the Department of Agriculture on the prices of cotton should not be confined to a single crop, but take the result for such a number of years as will give a general average. When this is done I think there can be no reasonable doubt that no similar amount of public expenditure has resulted in a larger or more general benefit to the country and especially to the cotton grower; and I think I voice the general sentiment of the South when I say that we do not want the work of the Department of Agriculture or that of the Census Bureau curtailed or reduced in the least, but we want it made even more efficient by enlarged appropriations.

Mr. WADSWORTH. Mr. Speaker, the gentleman from Georgia [Mr. LIVINGSTON], I believe, has fifteen minutes remaining; if he wishes to use it, and I have two minutes remaining.

The SPEAKER. The gentleman from Georgia.

Mr. LIVINGSTON. Mr. Speaker, neither of the speakers on this side of the House addressed himself to the resolution that was sent to the committee, nor did the gentleman on my right [Mr. LOVERING]. The gentleman from Tennessee [Mr. SIMS] and the gentleman from Texas [Mr. BURLERSON], members of the committee, have simply endeavored to show to this House that there is a big crop of cotton. Nobody has disputed that. The gentleman from Texas [Mr. BURLERSON] says that I was complaining. There was no complaint made on that line in my remarks or anywhere else.

The South wants exact information. They want it frequently—at least once a week—and they want the sources of the information published. Now, the gentleman from Texas [Mr. BURLERSON] said that in all my remarks I had made no suggestion as to how this matter should be improved. I distinctly stated, and I repeat it now, that, in my opinion, if the Department of Agriculture could have its reports made weekly, or more frequently at least than two months apart, when cotton is being sold, and have as much publicity as possible as to how its information is obtained and from whom, the South would be satisfied as a producer, and I believe the spinners would be satisfied. Now, the gentleman from Texas [Mr. BURLERSON] has done himself and southern planters a very great wrong on this floor to-day when he has denounced them as speculators.

Mr. Speaker, the reason why some men do not sell their cotton in the South as fast as they can pick it is simply this: Whether they make a large crop of cotton or a small crop of

cotton it makes no difference. There is a class of people in the South who must sell. Their guano notes, their provision notes, and their rent notes, and everything of that kind come in against them, and they must sell.

Now, if the class of cotton growers who are able to hold back their cotton should join in and sell also, it would dump an enormous amount of cotton on the market, an amount that the market could not take except at the hands of the speculators. The gentleman from Texas, if he knows anything, knows that in every single instance where we have all sold early in the market it has beared the market to the lowest point. The truth of the business is cotton ought not to be sold any faster in the South than the consumers will take it. That is the truth of it, and now the gentleman says that because some men in the South have not sold they are speculators. If they had sold they would have put the market down to 7 cents at the start. The simple fact is that a part of the cotton was held back, and part of it was marketed to the English spinners, who took the early cotton. The fact that a man is able to hold back a part of his cotton is a favor to the man who can not hold his cotton, because he does not dump it on the market at the same time, and thus carry down the market price.

The gentleman from Texas says another thing, that there would have been two wagonloads of papers hauled into the committee room to be examined as to contents, according to my resolution, if it had been adopted. Let me say before this House that when the gentleman came to me on the floor the day that my resolution was introduced, or the next day, he made that statement to me, and I said to the gentleman from Texas that I would remedy that. I asked him how many sources of information Mr. Hyde had. He said six. I said, "Let him take the tabulated statement of those six sources, and send it to the committee and the House, and I will be satisfied." Mr. Hyde said in this report before the committee that he has six sources tabulated. He has the State agents tabulated; he has the planters tabulated; he has the bankers tabulated; he has all the sources tabulated. The gentleman from Texas said that that would be done. Why did not the Secretary of Agriculture do that?

Mr. BURLESON. I would like to say to the gentleman that the hearings had been had at that time, and therefore the gentleman must be mistaken when he says that I said that that would be done.

Mr. LIVINGSTON. That did not prevent the Secretary of Agriculture from receiving from me, through the gentleman from Texas, information as to what would be satisfactory. He had it tabulated and he could have made his report in that way. They were all tabulated, and why did not the gentleman send these tabulated sources of information into the House and let the country have them? I said, when I was on the floor, that dumping this kind of a report onto the market when we had no estimate for two months will always produce a panic. It goes up or it goes down, according to the estimate of the report. The South, the North, the East, and the world that consumes cotton, as well as those who produce it, would like some regularity and stability in the market. If these reports should come weekly from the Department of Agriculture, and come accurately and publicly, it would give to the market stability. We do not have that now, and that is what we are asking for.

And yet the gentleman from Texas says that I have made no suggestion of improvement at all. I would like to ask the gentleman from Texas and the chairman of the committee if they do not agree with me that accuracy and frequency and publicity will help to make the market stable? If it will, will you use your influence with the Department of Agriculture to have it do that? If you will, I am content, and the South will be content. [Applause.]

Mr. WADSWORTH. Mr. Speaker, I believe I have two minutes remaining, and I yield that to the gentleman from Kansas [Mr. SCOTT].

Mr. SCOTT. The gentleman from Georgia [Mr. LIVINGSTON] complains that those who have supported the report now before the House have addressed themselves not to his resolution, but to the proposition that there is a large cotton crop. In the brief time at my disposal I have no other wish than to discuss the gentleman's resolution and to state as clearly and briefly as possible the reasons which influenced the Committee on Agriculture to bring in the report which is now before you.

This resolution demands that "the Secretary of Agriculture be requested to forward to the House of Representatives all data, in detail" upon which the estimate of the Bureau of Statistics in said Department upon the cotton crop was made and published. To have reported this resolution favorably would have been—as the gentleman from Texas [Mr. BURLESON] has

already stated—to unload upon this House thousands of letters and reports from thousands of correspondents all over the cotton States. To tabulate and digest these reports so as to make them of any value whatever would require the work of many experts for many days, possibly for many weeks; and even when this work had been done the result would have thrown no real light on the question at issue. The gentleman says now that he did not expect or desire to have these cartloads of individual reports; that all he wanted was the final tables. The committee, unfortunately, had no means of knowing what the gentleman wanted except by what he asked for in his resolution, and the committee was unanimously of the opinion that to grant the request literally would entail an utterly useless burden upon the Bureau of Statistics with no resulting good whatever to this House or to the country.

The committee was of the opinion, however, that what it conceived to be the spirit of this resolution might with entire propriety be complied with. The crop estimates published by the Bureau of Statistics undoubtedly have very great influence in fixing prices, and producers and consumers alike have a perfect right to know how these estimates are made, so that they may judge for themselves how nearly accurate they are likely to be.

Accordingly, your committee called before it the Secretary of Agriculture and the chief of the Statistical Bureau, and interrogated them in detail as to the manner by which the results which they publish are reached. The results of this inquiry are given in full in the "hearing," which is submitted with the report which is now under consideration; and in the judgment of your committee they not only answer the spirit of the resolution of the gentleman from Georgia, but they also demonstrate beyond question that the methods employed in making up these crop estimates are such as to come as near insuring accuracy as can possibly be done in any mere forecast.

For the information of those who may not have taken time to read these hearings I will summarize briefly the essential statements made therein.

In the first place, the Bureau appoints a State statistical agent for each of the cotton States. This man is appointed regardless of politics, the selection being governed solely by fitness and character. The State agent for Georgia, for example, is a former governor of that State, and, of course, a Democrat. These State agents have several hundred correspondents scattered throughout the State, who report to them and upon whose reports they make up their own estimates to the Bureau. The Bureau also has a county correspondent in each county of all the States, who have their reporters scattered throughout the county. These reporters send in their estimates to the man in charge of the county, and from them he makes up his own estimates to the Bureau. Besides these, the Bureau gets reports from ginners, from a correspondent in each township, from a large list of bankers and merchants, and from thousands of individual growers. And in addition to all these, the Bureau maintains a corps of special agents, expert men who put in the entire season traveling through the cotton section and reporting their conclusions.

The estimates sent to the Bureau by these eight classes of reporters are tabulated separately for each State, and from these reports the chief of the Bureau of Statistics deduces his conclusions. That these conclusions are absolutely accurate, is not to be expected, of course. And yet they are surprisingly accurate. Consider, for example, the estimates given by the various classes of reporters for the State of Georgia:

	Pounds per acre.
State agent's estimate.....	206
County correspondents.....	203
Township.....	203
Ginners.....	212
Special agents.....	205
Bankers and merchants.....	205
Individual planters.....	221

When reporters of so many different classes show such remarkable unanimity, it can hardly help following that the final estimate, made by a man who through long experience has learned to properly appraise the work of all his different reporters, will be found very close to the truth.

In the judgment of your committee, Mr. Speaker, the facts brought out in the "hearing," which is now available for every Member of this House, demonstrate beyond question that the crop estimate published by the Bureau of Statistics are made honestly and intelligently, and that the results obtained are as nearly accurate as it is possible for any mere forecast to be. We believe also that in laying this "hearing" before the House we have fully complied with the spirit of the resolution of the

gentleman from Georgia [Mr. LIVINGSTON], and we therefore recommend that it lie on the table.

Mr. WADSWORTH. Mr. Speaker, I now move to lay the resolution on the table.

The SPEAKER. The question is on the motion of the gentleman from New York, that the resolution do lie on the table.

The question was taken; and on a division (demanded by Mr. LIVINGSTON) there were—ayes 80, noes 17.

So the motion was agreed to.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to—

Mr. MARSH, until Tuesday next.

Mr. BOWERSOCK, indefinitely, on account of important business.

IMPROVING CURRENCY CONDITIONS.

Mr. HILL of Connecticut. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4831) to improve currency conditions, and pending that motion I would like to make, if I can, some agreement with the gentleman from Georgia [Mr. BARTLETT] respecting the question of reopening the general debate. Since the House last considered this bill a number of gentlemen, members of the committee, have indicated their desire to have some time in which to speak upon the measure, and I am sure the House desires to hear the gentleman from Georgia [Mr. BARTLETT] at some length upon the bill. I therefore ask unanimous consent that the debate be reopened for a specified time, if we can agree on the time.

Mr. BARTLETT. Mr. Speaker, if I may be indulged a moment. As is well known, by reason of the fact that I made the minority report on this bill when it was reported from the Committee on Banking and Currency the control of the time was given to me by unanimous consent. On Thursday before the Congress adjourned for the holidays the bill was forced up before the House under protest during my absence—providential absence—and, as I understood at the time, over an agreement had with the gentleman in charge of the bill, the gentleman from Connecticut [Mr. HILL], that it should not be so forced up in my absence. There may be some misunderstanding between himself and myself as to whether that was true. That certainly was my understanding. During my absence upon that day, known to the House to be providential, the gentleman from Mississippi [Mr. WILLIAMS] took charge of the matter, as he should have done, and conducted the discussion upon the bill on our side and had control of the time. He made a motion, which prevailed, to close the general debate. Of course I have no objection to any gentleman speaking who desires to do so, but under the circumstances as they exist, the condition in which the bill and debate upon it now is—brought about through no fault of my own, but rather because of the insistence of the gentleman from Connecticut [Mr. HILL] that the bill should be heard when it ought not to have been heard—I do not feel that I can now agree with him as to time in reference to general debate.

The SPEAKER. The gentleman from Georgia objects to the request of the gentleman from Connecticut.

Mr. BARTLETT. Mr. Speaker, I do not object to any request. I understood the gentleman desired to know if he could make some agreement with me.

Mr. HEPBURN. Mr. Speaker, I desire to interpose an objection to reopening general debate.

Mr. HILL of Connecticut. The agreement, of course, would be such as to permit the gentleman from Georgia [Mr. BARTLETT] to have an opportunity to speak upon the bill.

Mr. BARTLETT. Mr. Speaker, I thank the gentleman from Connecticut [Mr. HILL] for favoring me; but in the past the House has been kind enough to indulge me and I have been always able to get my own time.

Mr. HEPBURN. Mr. Speaker, I do not desire to interpose any objection to the gentleman from Georgia [Mr. BARTLETT] having an opportunity to engage in debate, but I do object to any general debate.

The SPEAKER. The gentleman from Iowa objects.

Mr. HILL of Connecticut. Mr. Speaker, I call for the question.

The SPEAKER. The question is upon the motion of the gentleman from Connecticut, that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4831) to improve currency conditions.

The question was taken; and on a division (demanded by Mr. BARTLETT) there were—ayes 81, noes 75.

Mr. BARTLETT. Mr. Speaker, I demand the yeas and nays. The yeas and nays were ordered.

The question was taken; and there were—yeas 109, nays 91, answered "present" 8, not voting 176, as follows:

YEAS—109.

Acheson	Dresser	Kinkaid	Smith, Ill.
Adams, Pa.	Dunwell	Knapp	Smith, Iowa
Adams, Wis.	Dwight	Lacey	Smith, Pa.
Allen	Field	LaFean	Snapp
Bede	Fordney	Landis, Frederick	Southard
Bingham	Foss	Lawrence	Sperry
Birdsall	Foster, Vt.	Lilley	Stafford
Bishop	Fowler	Longworth	Stevens, Minn.
Boutell	Fuller	Loud	Sulloway
Bradley	Gaines, W. Va.	McCleary, Minn.	Thomas, Ohio
Brownlow	Gardner, N. J.	McCreary, Pa.	Tirrell
Butler, Pa.	Gibson	Mahon	Townsend
Calderhead	Gillett, Mass.	Mann	Volstead
Campbell	Grosvenor	Marshall	Vreeland
Capron	Hamilton	Martin	Wachter
Cockran, N. Y.	Haskins	Miller	Wanger
Conner	Haugen	Minor	Warner
Cooper, Pa.	Hedge	Needham	Warnock
Cousins	Hepburn	Olmsted	Webber
Crumacker	Hill, Conn.	Otjen	Weems
Curtis	Hitt	Padgett	Wiley, N. J.
Cushman	Holliday	Parker	Williamson
Dalzell	Huff	Perkins	Wood
Daniels	Hull	Porter	Woodyard
Darragh	Humphrey, Wash.	Prince	Young
Davis, Minn.	Jackson, Ohio	Reader	
Dovener	Jenkins	Roberts	
Draper	Jones, Wash.	Scott	

NAYS—91.

Adamson	Dickerman	Kitchin, Wm. W.	Russell
Aiken	Dinsmore	Kline	Ryan
Baker	Dixon	Lamar, Fla.	Sheppard
Bankhead	Fitzgerald	Lamar, Mo.	Sherley
Bartlett	French	Lester	Shober
Beall, Tex.	Gaines, Tenn.	Lever	Sims
Bell, Cal.	Garber	Lind	Small
Bonyng	Garner	Lindsay	Smith, Tex.
Bowers	Gilbert	Little	Snook
Brooks	Gillespie	Lloyd	Spight
Brundidge	Goulden	Macon	Stanley
Burgess	Gregg	Maynard	Sullivan, Mass.
Burleson	Gudger	Moon, Tenn.	Swanson
Burnett	Hardwick	Murdock	Talbott
Byrd	Harrison	Page	Taylor
Candler	Hay	Patterson, N. C.	Underwood
Clark	Hogg	Pierce	Van Duzer
Clayton	Hopkins	Pinckney	Wallace
Cooper, Tex.	Houston	Pou	Williams, Ill.
Cowherd	Humphreys, Miss.	Randell, Tex.	Williams, Miss.
Croft	Hunt	Randell, La.	Wynn
De Armond	James	Rhea	Zenor
Denny	Johnson	Rider	

ANSWERED "PRESENT"—8.

Beidler	Currier	Richardson, Ala.	Smith, Ky.
Cromer	Landis, Chas. B.	Sherman	Sparkman

NOT VOTING—176.

Alexander	Fitzpatrick	Kyle	Rixey
Ames	Flack	Lamb	Robb
Babcock	Flood	Legare	Robertson, La.
Badger	Foster, Ill.	Lewis	Robinson, Ark.
Bartholdt	Gardner, Mass.	Littauer	Robinson, Ind.
Bassett	Gardner, Mich.	Littfield	Rodenberg
Bates	Gillet, N. Y.	Livernash	Rucker
Benny	Gillett, Cal.	Livingston	Ruppert
Benton	Glass	Lorimer	Scarborough
Bowersock	Goebel	Loudenslager	Scudder
Bowie	Goldfogle	Lovering	Shackleford
Brandegge	Gooch	Lucking	Shiras
Brantley	Graff	McAndrews	Shull
Breazeale	Granger	McCall	Sibley
Brick	Greene	McCarthy	Slayden
Broussard	Griffith	McDermott	Siemp
Brown, Pa.	Griggs	McLachlan	Smith, Samuel W.
Brown, Wis.	Hamlin	McLain	Smith, Wm. Alden
Buckman	Hearst	McMorran	Smith, N. Y.
Burke	Heflin	McNary	Southall
Burkett	Hemenway	Maddox	Southwick
Burleigh	Henry, Conn.	Marsh	Spaulding
Burton	Henry, Tex.	Meyer, La.	Steenerson
Butler, Mo.	Hermann	Miers, Ind.	Stephens, Tex.
Caldwell	Hildebrandt	Mondell	Sterling
Cassel	Hill, Miss.	Moon, Pa.	Sullivan, N. Y.
Cassingham	Hinshaw	Morgan	Sulzer
Castor	Hitchcock	Morrell	Tate
Cochran, Mo.	Howard	Mudd	Tawney
Connell	Howell, N. J.	Nevin	Thayer
Cooper, Wis.	Howell, Utah	Norris	Thomas, Iowa
Crowley	Hughes, N. J.	Otis	Thomas, N. C.
Davey, La.	Hughes, W. Va.	Overstreet	Trimble
Davidson	Hunter	Palmer	Vandiver
Davis, Fla.	Jackson, Md.	Patterson, Pa.	Van Voorhis
Dayton	Jones, Va.	Patterson, Tenn.	Wade
Deemer	Keoh	Payne	Wadsworth
Dougherty	Kelher	Pearre	Watson
Douglas	Kennedy	Powers, Me.	Webb
Driscoll	Ketcham	Powers, Mass.	Wells
Emerich	Kitchin, Claude	Pujo	Wiley, Ala.
Esch	Kluttz	Rainey	Wilson, Ill.
Evans	Knopf	Reid	Wilson, N. Y.
Finley	Knowland	Richardson, Tenn.	Wright

So the motion was agreed to.

The Clerk announced the following pairs:

For the vote:

Mr. BURTON with Mr. SPARKMAN.

For the day:

Mr. ALEXANDER with Mr. RIXEY.

Mr. BABCOCK with Mr. STEPHENS of Texas.

Mr. BATES with Mr. BADGER.

Mr. BRANDEGEE with Mr. SCARBOROUGH.
 Mr. BRICK with Mr. BASSETT.
 Mr. BROWN of Wisconsin with Mr. BENNY.
 Mr. BUCKMAN with Mr. BOWIE.
 Mr. BURKE of South Dakota with Mr. BREAZEALE.
 Mr. BURKETT with Mr. MADDOX.
 Mr. CASTOR with Mr. BROUSSARD.
 Mr. COOPER of Wisconsin with Mr. CALDWELL.
 Mr. DAVIDSON with Mr. COCHRAN of Missouri.
 Mr. DOUGLAS with Mr. DAVEY of Louisiana.
 Mr. ESCH with Mr. SHACKLEFORD.
 Mr. EVANS with Mr. DAVIS of Florida.
 Mr. FLACK with Mr. SULLIVAN of New York.
 Mr. GARDNER of Michigan with Mr. CROWLEY.
 Mr. GARDNER of Massachusetts with Mr. DOUGHERTY.
 Mr. GILLET of New York with Mr. FOSTER of Illinois.
 Mr. GILLET of California with Mr. FITZPATRICK.
 Mr. GOEBEL with Mr. GOLDFOGLE.
 Mr. GRAFF with Mr. GRANGER.
 Mr. HEMENWAY with Mr. LIVINGSTON.
 Mr. HENRY of Connecticut with Mr. HILL of Mississippi.
 Mr. HILDEBRANT with Mr. HAMLIN.
 Mr. HOWELL of New Jersey with Mr. HEFLIN.
 Mr. HUGHES of West Virginia with Mr. HITCHCOCK.
 Mr. KENNEDY with Mr. HEARST.
 Mr. KETCHAM with Mr. HUGHES of New Jersey.
 Mr. KNOPF with Mr. WEISSE.
 Mr. KNOWLAND with Mr. LIVERNASH.
 Mr. KYLE with Mr. HENRY of Texas.
 Mr. LITTAUER with Mr. BENTON.
 Mr. LITTLEFIELD with Mr. JONES of Virginia.
 Mr. LOVERING with Mr. KELIHER.
 Mr. MARSH with Mr. LUCKING.
 Mr. MCCARTHY with Mr. LEWIS.
 Mr. McLACHLAN with Mr. KLUTTZ.
 Mr. McMORRAN with Mr. LEGARE.
 Mr. MONDELL with Mr. McDERMOTT.
 Mr. MOON of Pennsylvania with Mr. WEBB.
 Mr. MORRELL with Mr. CLAUDE KITCHIN.
 Mr. MUDD with Mr. GLASS.
 Mr. NEVIN with Mr. McLAIN.
 Mr. NORRIS with Mr. SLAYDEN.
 Mr. O'NEIS with Mr. VANDIVER.
 Mr. OVERSTREET with Mr. ROBERTSON of Louisiana.
 Mr. PALMER with Mr. PATTERSON of Tennessee.
 Mr. PAYNE with Mr. KEHOE.
 Mr. PEARRE with Mr. RAINEY.
 Mr. POWERS of Massachusetts with Mr. REID.
 Mr. PUJO with Mr. SOUTHALE.
 Mr. RODENBERG with Mr. ROBB.
 Mr. SIBLEY with Mr. SCUDDER.
 Mr. SLEMP with Mr. ROBINSON of Indiana.
 Mr. WM. ALDEN SMITH with Mr. MIERS of Indiana.
 Mr. SOUTHWICK with Mr. FLOOD.
 Mr. SPALDING with Mr. ROBINSON of Arkansas.
 Mr. STERLING with Mr. WILEY of Alabama.
 Mr. TAWNEY with Mr. RICHARDSON of Tennessee.
 Mr. WATSON with Mr. SULZER.
 Mr. WILSON of Illinois with Mr. TRIMBLE.
 Mr. WRIGHT with Mr. WILSON of New York.
 For the week:
 Mr. BARTHOLOMT with Mr. THOMAS of North Carolina.
 Mr. BEIDLER with Mr. HOWARD.
 Mr. BOWERSOCK with Mr. WADE.
 Mr. CASSEL with Mr. GOOCH.
 Mr. CONNELL with Mr. BUTLER of Missouri.
 Mr. CROMER with Mr. GRIFFITH.
 Mr. GREENE with Mr. McNARY.
 Mr. LORIMER with Mr. McANDREWS.
 Mr. LOUDENSLAGER with Mr. RICHARDSON of Alabama.
 Mr. SAMUEL W. SMITH with Mr. GRIGGS.
 Mr. THOMAS of Iowa with Mr. SMITH of Kentucky.
 Mr. VAN VOORHIS with Mr. CASSINGHAM.
 Mr. WADSWORTH with Mr. LAMB.
 On currency bill:
 Mr. DRISCOLL with Mr. POWERS of Maine.
 After the holidays:
 Mr. BURLEIGH with Mr. BRANTLEY.
 For the session:
 Mr. CURRIER with Mr. FINLEY.
 Mr. DAYTON with Mr. MEYER of Louisiana.
 Mr. DEEMER with Mr. SHULL.
 Mr. CHARLES B. LANDIS with Mr. TATE.
 Mr. PATTERSON of Pennsylvania with Mr. DICKERMAN.
 Mr. SHERMAN with Mr. RUPPERT.
 The result of the vote was announced as above recorded.

Mr. BURLESON. Pending the announcement of the vote I ask unanimous consent to extend my remarks in the RECORD which were made on the resolution that was reported a moment ago.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4831) to improve currency conditions, with Mr. DALZELL in the chair.

Mr. HILL of Connecticut. Mr. Chairman, at the time the committee rose, when the bill was last under consideration, the first section had been read, and, as I understand it, an amendment offered by the gentleman from Mississippi [Mr. WILLIAMS]. Then, if I am not mistaken no other amendment had been offered, although one had been proposed by the gentleman from Arkansas [Mr. MACON] to offer an amendment, but I understood later that that was withdrawn, so that it stands now with simply the amendment of the gentleman from Mississippi [Mr. WILLIAMS].

I have been informed that the chairman of the Committee on Banking and Currency also desires to offer an amendment to this section, and it seems to me that if other amendments are to be offered it will be well—and I think the gentleman from Mississippi and the gentleman from Georgia will agree with me—if there is to be further discussion on the question it will be well to discuss the whole question at the same time, and that it would be the proper thing to do for the gentleman from New Jersey to offer his substitute and have it pending.

Mr. WILLIAMS of Mississippi. I have no objection to that course, but I do not wish a vote to be taken upon my amendment until after opportunity is offered to make a few remarks.

Mr. HILL of Connecticut. I will state that as far as the gentleman from Connecticut is concerned there is no disposition to force any vote upon any amendment until it is fully considered.

Mr. BARTLETT. Will the gentleman from Connecticut permit an interruption?

Mr. HILL of Connecticut. Certainly.

Mr. BARTLETT. I simply desire to ask that the amendment offered by the gentleman from Mississippi [Mr. WILLIAMS] be read again. It has been some time since it was offered, and we wish to have it read in connection with the amendment to be offered by the gentleman from New Jersey [Mr. FOWLER].

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Mississippi [Mr. WILLIAMS].

The Clerk read as follows:

After the word "regulations," in line 9, page 1, insert the words "requiring payment of interest on amounts deposited and limiting amount to be deposited in any one bank bidding in competition for the same."

Mr. FOWLER. I move to strike out all after the enacting clause in section 1 and substitute in place thereof the amendment which I will send to the desk to be read.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

SECTION 1. That in addition to the provisions of section 5153 of the Revised Statutes, concerning the designation of public depositories and the deposit of public moneys therein, the Secretary of the Treasury may also deposit in such designated depositories any public money received from whatever source, including receipts from customs, without requiring security by the deposit of United States bonds and otherwise, as provided in said section, but no such deposit shall in any case exceed 25 per cent of the paid-up and unimpaired capital of any such depository. National banking associations having on deposit public money in accordance with the provisions of this act shall pay to the United States for the use thereof interest at the rate of 2 per cent per annum, payable semiannually on the first days of January and July of each year. The United States shall have a paramount lien on the assets of banks in which public moneys are deposited in accordance with the provisions of this act for the repayment of the same on demand of the Treasurer of the United States.

The CHAIRMAN. The amendment is considered as pending and to be disposed of after the disposition of the amendment of the gentleman from Mississippi [Mr. WILLIAMS].

Mr. BARTLETT. Mr. Chairman, I desire to ask the gentleman from New Jersey [Mr. FOWLER], the chairman of the Committee on Banking and Currency, how much time he desires?

Mr. FOWLER. I desire to proceed until I finish my remarks.

Mr. BARTLETT. I then ask unanimous consent that the gentleman from New Jersey [Mr. FOWLER], who is the chairman of the Committee on Banking and Currency, be permitted to speak upon this amendment for such time as he may desire.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Mr. FOWLER. It was not my pleasure to be here the other day and hear the discussion, but I have read the RECORD, and upon concluding a review of what was said I asked for some information from the Secretary of the Treasury which I think

will throw a good deal of light upon the particular point which was under discussion then. This information proves conclusively that no bank anywhere in the United States, under any condition, can afford to pay interest at any rate worth speaking of and make any profit. If that is true, then all the discussion with regard to offering the public money at any price falls to the ground, unless it be offered to the public for the purpose of enabling the bank which gets it to advertise that fact, which is not a legitimate purpose. Under the date of January 3, I received this letter from the Secretary of the Treasury:

TREASURY DEPARTMENT,
Washington, January 3, 1905.

MY DEAR MR. FOWLER: I have your letter of the 20th instant, requesting a statement showing what profit or loss would accrue to national banks through Government deposits secured by Government bonds, the banks paying 2 per cent interest, and inclose you herewith a tabulated statement showing the profit or loss on deposits secured by various classes of bonds in cities having varying rates of interest.

Very truly, yours,

L. M. SHAW.

Hon. CHARLES N. FOWLER,
House of Representatives.

Loss to national banks holding Government deposits.

CENTRAL RESERVE CITY—\$100,000 DEPOSIT SECURED BY \$100,000 PAR OF GOVERNMENT BONDS—BONDS PURCHASED AND DEPOSIT RECEIVED JANUARY 1, 1905—BANK TO PAY AN ANNUAL TAX OF 2 PER CENT ON ITS DEPOSIT—RESERVE OF 25 PER CENT HELD—3 PER CENT LOCALITY.

	Consols of 1930, 2 percents.	Loan of 1908-1918, 3 percents. ^a	Loan of 1907, 4 percents.	Loan of 1925, 4 percents.
Capital invested	\$104,375.00	\$104,250.00	\$105,625.00	\$130,462.00
Bonds purchased, par	100,000.00	100,000.00	100,000.00	100,000.00
Receipts:				
Interest on deposits	2,250.00	2,250.00	2,250.00	2,250.00
Interest on bonds deposited	2,000.00	3,000.00	4,000.00	4,000.00
Total receipts	4,250.00	5,250.00	6,250.00	6,250.00
Deductions:				
Tax on deposits	2,000.00	2,000.00	2,000.00	2,000.00
Sinking fund	116.47	1,130.32	2,174.61	1,110.94
Total deductions	2,116.47	3,130.32	4,174.61	3,110.94
Net receipts	2,133.53	2,119.68	2,075.39	3,139.06
Interest on capital invested	3,131.25	3,127.50	3,168.75	3,913.88
Loss to bank	997.72	1,007.82	1,093.36	774.80

CENTRAL RESERVE CITY AND OTHER RESERVE CITY—\$100,000 DEPOSITED, SECURED BY \$100,000 PAR OF GOVERNMENT BONDS—BONDS PURCHASED AND DEPOSIT RECEIVED JANUARY 1, 1905—BANK TO PAY AN ANNUAL TAX OF 2 PER CENT ON ITS DEPOSIT—RESERVE OF 25 PER CENT HELD—6 PER CENT LOCALITY.

	Consols of 1930, 2 percents.	Loan of 1908-1918, 3 percents. ^a	Loan of 1907, 4 percents.	Loan of 1925, 4 percents.
Capital invested	\$104,375.00	\$104,250.00	\$105,625.00	\$130,462.00
Bonds deposited, par	100,000.00	100,000.00	100,000.00	100,000.00
Receipts:				
Interest on bonds deposited	2,000.00	3,000.00	4,000.00	4,000.00
Interest on deposits	4,500.00	4,500.00	4,500.00	4,500.00
Total receipts	6,500.00	7,500.00	8,500.00	8,500.00
Deductions:				
Tax on deposits	2,000.00	2,000.00	2,000.00	2,000.00
Sinking fund	75.03	1,071.88	2,102.80	792.25
Total deductions	2,075.03	3,071.88	4,102.80	2,792.25
Net receipts	4,424.97	4,428.12	4,397.20	5,707.75
Interest on capital invested	6,262.50	6,255.00	6,337.50	7,827.72
Loss to bank	1,837.53	1,826.88	1,940.30	2,119.97

PLACES OTHER THAN RESERVE CITIES—\$100,000 DEPOSITED, SECURED BY \$100,000 PAR, OF GOVERNMENT BONDS—BONDS PURCHASED AND DEPOSIT RECEIVED JANUARY 1, 1905—BANK TO PAY AN ANNUAL TAX OF 2 PER CENT ON ITS DEPOSITS—RESERVE OF 15 PER CENT HELD—6 PER CENT LOCALITY.

	Consols of 1930, 2 percents.	Loan of 1908-1918, 3 percents. ^a	Loan of 1907, 4 percents.	Loan of 1925, 4 percents.
Capital invested	\$104,375.00	\$104,250.00	\$105,625.00	\$130,462.00
Bonds purchased, par	100,000.00	100,000.00	100,000.00	100,000.00
Receipts:				
Interest on bonds deposited	2,000.00	3,000.00	4,000.00	4,000.00
Interest on deposits	5,100.00	5,100.00	5,100.00	5,100.00
Total receipts	7,100.00	8,100.00	9,100.00	9,100.00
Deductions:				
Tax on deposits	2,000.00	2,000.00	2,000.00	2,000.00
Sinking fund	75.03	1,071.88	2,102.80	792.25
Total deductions	2,075.03	3,071.88	4,102.80	2,792.25
Net receipts	5,024.97	5,028.12	4,997.20	6,307.75
Interest on capital invested	6,262.50	6,255.00	6,337.50	7,827.72
Loss to bank	1,237.53	1,226.88	1,340.32	1,519.97

^a Here treated as maturing 1908.

Loss to national banks holding Government deposits—Continued.

PLACES OTHER THAN RESERVE CITIES—\$100,000 DEPOSITS SECURED BY \$100,000 PAR, OF GOVERNMENT BONDS—BONDS PURCHASED AND DEPOSIT RECEIVED JANUARY 1, 1905—BANK TO PAY AN ANNUAL TAX OF 2 PER CENT ON ITS DEPOSIT—RESERVE OF 15 PER CENT HELD—10 PER CENT LOCALITY.

	Consols of 1930, 2 percents.	Loan of 1908-1918, 3 percents. ^a	Loan of 1907, 4 percents.	Loan of 1925, 4 percents.
Capital invested	\$104,375.00	\$104,250.00	\$105,625.00	\$130,462.00
Bonds purchased, par value	100,000.00	100,000.00	100,000.00	100,000.00
Receipts:				
Interest on bonds deposited	2,000.00	3,000.00	4,000.00	4,000.00
Interest on deposit	8,500.00	8,500.00	8,500.00	8,500.00
Total receipts	10,500.00	11,500.00	12,500.00	12,500.00
Deductions:				
Tax on deposits	2,000.00	2,000.00	2,000.00	2,000.00
Sinking fund	39.38	993.22	2,008.21	485.90
Total deductions	2,039.38	2,993.22	4,008.21	2,485.90
Net receipts	8,460.62	8,506.78	8,491.79	10,014.10
Interest on capital invested	10,437.50	10,425.00	10,562.50	13,046.20
Loss to the bank	1,976.88	1,918.22	2,070.71	3,032.10

^a Here treated as maturing 1908.

MEMORANDUM.

These computations show in detail the loss to national banks in holding Government deposits, when the bank is required to pay an annual tax of 2 per cent on the said deposits.

A reserve of 25 per cent is allowed for in reserve cities, and of 15 per cent in other places.

Jos. S. McCoy,
Government Actuary.

TREASURY DEPARTMENT, January 3, 1905.

(If no reserve were required, yet there would be a loss in every instance.)

It will be observed that every condition as to reserves that now prevails throughout the country was covered in a 3 per cent locality, in a 6 per cent locality, and in a 10 per cent locality. Assuming that the banks pay interest to the Government at the rate of 2 per cent, in the locality where interest is 3 per cent on the 2 per cent bonds the loss on \$100,000 would be \$997, on the 3 per cent bonds in the same locality it would be \$1,007, on the 4 per cent bonds due in 1907 it would be \$1,093, and on the 1925 4 per cent bonds, \$774. In a 6 per cent locality, with a 25 per cent reserve, the loss upon a Government deposit of \$100,000 with 2 per cent bonds as security would be \$1,837; on the 3 per cent bonds, \$1,826; on the 1907 fours, \$1,940, and on the 1925 fours, \$2,119.

Mr. PALMER. In what period?

Mr. FOWLER. A year.

Mr. WILLIAMS of Mississippi. Will the gentleman permit an interruption there?

Mr. FOWLER. Certainly.

Mr. WILLIAMS of Mississippi. That is based on the supposition that the banks loan their money for a year.

Mr. FOWLER. This gives the result of a rate.

Mr. WILLIAMS of Mississippi. As a matter of fact, is it not true that the banks never do that; that they do not loan the money for a whole year, but they lend it to one man for a short time and then to another man?

Mr. FOWLER. If the loan continued for one year they might not loan it to one man, but they might loan the same money to different men.

Mr. WILLIAMS of Mississippi. That is the very point, the gist of the fallacy of all that figuring on the banks loaning this money for one year as an annual loan, when, in fact, they compound it every thirty and sixty days, and that is where their profit comes in.

Mr. FOWLER. That is the high rate.

Mr. WILLIAMS of Mississippi. On the low rate or the high one.

Mr. FOWLER. If you will follow me, you will see the higher the rate the worse the dilemma.

Mr. WILLIAMS of Mississippi. That is the profit to the banks upon the use of the money that they have deposited with them.

Mr. FOWLER. The higher the rate the worse the result or the greater the loss.

Mr. WILLIAMS of Mississippi. A person loaning it on thirty days and renewing in thirty days would lose more money, and that the bank would lose more than loaning it for a whole year. Is that your idea?

Mr. FOWLER. If you will follow this, you will appreciate what I have been saying.

In the locality where the reserve is 15 per cent and the rate is 6 per cent on twos the loss would be \$1,237; on the 1908 3 per cents, \$1,226; on the 1907 fours, \$1,940, and on the 1925 fours, \$1,519. With a 15 per cent reserve in the locality where it is loaned for 10 per cent, the loss, you will see, is greater. On the 1930 2 per cents it would be \$1,976; on the 1908 threes, \$1,968; on the 1970 fours, \$2,070, and on the 1995 fours, \$3,000.

I think, therefore, that we need not discuss this question any further.

Mr. SHERLEY. Will the gentleman permit me to ask him a question?

Mr. FOWLER. Certainly.

Mr. SHERLEY. You have fixed or based your calculation on the banks paying 2 per cent to the Government for the loan, have you not?

Mr. FOWLER. Yes. I fixed it at 2, to establish a principle; but at whatever rate, whether you fix it at 1, 2, or 3, the same principle would apply.

Mr. SHERLEY. But there is a rate that you have got in your market where there would be a profit to the bank. If a deposit were made in New York, where the rate would be a small rate, coming under 1 per cent, the banks would still make a profit, on the same principle.

Mr. FOWLER. Now you may relieve the banks from carrying any reserve whatever against Government deposits and there will be a loss in every instance covered.

Mr. SHERLEY. I think if the gentleman will go over the mathematics of it carefully, as I have done, he will find that there is a small profit, and they will still be able to pay something under 1 per cent in the New York market.

Mr. FOWLER. Provided they borrow the bonds from some institution instead of purchasing them.

Mr. SHERLEY. I am talking about the 2 per cent bonds, which are selling at 104½, and you will still have a profit.

Mr. FOWLER. Not a practical margin of profit. This report that I have submitted comes from the Government actuary, and I am not going to discuss the question of details with the gentleman, but simply submit it as the conclusion of the Treasury Department.

Now, the object of putting the money again into the channels of trade is what? Not that the Government may get a profit from it, but that the public may have the use of the money; and therefore the question of interest is simply an incident, the main one being to get the money back into the channels of trade, in order that business may not be disturbed. Therefore, while I do not think it is necessary to discuss this, I want to allude to the argument that has been made, referring to it with the utmost respect. A bid for money with the idea of making it more profitable for the Government because it took the higher rate, ought not to be considered, even though what I have proven was not true, for you might send the money to a place where the highest profit would come to the Government, and it would not be the place where the money ought to go in the case of a crisis or a panic; and the Government, using its discretion with all the facts before it, should not be subject to criticism, animadversion, and attack, because it had exercised a wise discretion and put the Government deposit at the point where it believed commerce demanded it.

Now, I have sent to the Clerk's desk an amendment which, in my judgment, ought to prevail, because it puts this Government into the same position that every great municipality is, that every great corporation is, by depositing its money at once in the banks of the country with the view of checking out again at will. I believe that in a country as great as ours, with only \$100,000,000 of Government deposits in the national banks where there are five billion other deposits, it is child's play to give the banks thirty or sixty days' notice before withdrawing any part of the hundred million. The exchanges every day average \$300,000,000. Therefore if the Government said nothing, but drew its checks upon its various accounts and used its money and transferred it from one bank to another, these transactions would not be noticed as they are to-day, for whenever the Government says, "Next week or next month we are going to make a draft upon the banks," it is like sending out a fire alarm. No more attention should be paid to the Government account than to any other account of the same character in size.

Now, can anyone give me a single valid reason why the Government should not deposit its money, and all of its money, from day to day and from hour to hour, if necessary, back in the banks precisely as a business house does? Why should it require bonds to secure the repayment of this money? Is it not safe in the hands of the banks which hold five billions of the people's money? We are the supervisors and examiners of these banks. Could not the Government select safe banks in which to deposit the amount proposed by this bill, an amount not to ex-

ceed 25 per cent of the paid-up capital, that deposit being precisely as it is to-day, a first lien upon all the assets of that bank? Would danger follow? Would loss accrue?

In 1899 I presented to Secretary Gage an inquiry to this effect: Supposing that in 1879 the Government had deposited its money in the banks of the reserved cities, of which I think there are ten, pro rata to the capital of all the banks included, would there have been any loss, and if the Government had received 1 per cent per annum, what would the profit have been? Later I had that report brought down to cover the 31st day of January, 1902. That report showed that for the twenty-four years not one penny would have been lost by the Government, and we would have had then at 1 per cent interest \$19,898,000 profit. If the amendment which I have just sent to the desk had been the law since 1879, the Government would now have \$50,000,000 from interest upon its deposits.

This is the letter that Secretary Gage wrote me at the time he made that report:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, February 11, 1900.

MY DEAR SIR: I have the honor to hand you herewith statement compiled by the Treasury actuary, in response to your memorandum of inquiry as to the result to the Government had certain surplus moneys of the Treasury been deposited with national banks in the reserve cities in proportion to the respective capital of each of such banks, etc. It is somewhat surprising, and it is very interesting, to find that not a dollar of money would have been lost. From the tables it appears that \$16,370,206 would have been realized in the way of interest and that the 10 per cent guarantee fund which your inquiry suggests should be put up for insurance against loss to the Government would not have been touched.

Very truly, yours,

L. J. GAGE, Secretary.

HON. CHARLES N. FOWLER,
House of Representatives, Washington.

Now, I do not know that I care at the present moment to add anything to what I have said. Every remark that I have made has been based upon experience, and the result of the experience of our own Government, and all that I ask this House to do is to apply the same business rules to the management of the affairs of the Treasury that every great business institution applies to its own affairs, excepting this: I would give to the Treasury the preference which I think the people's money ought to have in the form of collected taxes over their own private accounts, namely, a first lien upon the assets of the banks.

Mr. SHERLEY. Before the gentleman takes his seat I should like to ask him one or two questions for information.

The CHAIRMAN. Does the gentleman from New Jersey yield?

Mr. FOWLER. Yes.

Mr. SHERLEY. Is there any provision in your amendment which would require the Secretary of the Treasury, in depositing Government funds, to deposit them over the country at large, or would he be permitted to deposit them all in some one center?

Mr. FOWLER. There is no requirement, except that the bill provides that he can not deposit in any one bank an amount in excess of 25 per cent of its capital. Now, I do not believe that any law should be passed compelling the Secretary of the Treasury to make any particular distribution of it, because if he has funds to deposit at any time, and it should seem wise because of the peculiar conditions existing in some particular city, he ought to be at liberty to meet the emergency.

Mr. SHERLEY. You give him full option, simply requiring that he shall not exceed a certain proportion of the capital of the bank, and requiring payment of 2 per cent interest?

Mr. FOWLER. Yes.

Mr. SHERLEY. The point was made during the argument the other day by the gentleman from Indiana that a great benefit had accrued to the country at large by virtue of the deposit of Government moneys at interior points, that it had helped to move the crops, overlooking entirely the fact that before they got the money they had to buy in the New York market the bonds that were selling at a premium.

Mr. FOWLER. It robbed the country of capital just to the extent of the premium paid.

Mr. SHERLEY. Yes; instead of adding to the amount of money that was brought into the interior. I simply wanted to get these facts before the committee.

Mr. FOWLER. It is a self-evident fact that if a bank in New Orleans or St. Louis or San Francisco desires Government deposits of a hundred thousand dollars, it would rob that city of the premium, whatever it might be, say from four to six thousand dollars.

Mr. SHERLEY. Unless there were Government bonds not being used in that city.

Mr. FOWLER. Yes, that they might borrow; but only in that case.

Mr. WILLIAMS of Mississippi. And as a rule they do borrow them.

Mr. FOWLER. But I do not believe it is well for this House to legislate upon the assumption that these bonds are here and there and may be borrowed by the bank, because I do not believe the men that lend the bonds have any right to do so. They belong in the treasuries of the institutions that own them, and not in the hands of the bank. Why? They appear in the statement of two concerns, and they have only a right to appear in the statement of one concern.

Mr. HILL of Connecticut. Mr. Chairman, I am going to give a practical illustration of the problem upon which we seem to be differing. In front of the Clerk's desk is a chart, and if members of the committee will give their attention, I will explain the process of procuring a Government deposit of \$100,000 under present conditions, and, if I can, make clear this question upon which there seems to be so much difference of opinion.

I shall have to disagree with the chairman of the committee concerning the figures which he has just submitted, and think that I can prove that he is mistaken. Let me take three different banks, representing three different classes, in the country. First, the section of country where the bank rate of discount is 10 per cent, a section of the country where it is 6 per cent, and a stock exchange Wall street bank where the rate on call loans averages, say, 2 per cent. If the figures on the chart are not large enough to be easily seen, I wish gentlemen would step down a little nearer. I think I can make this proposition plain. Before doing it I want to read from the remarks of the gentleman from Mississippi [Mr. WILLIAMS] the other day when he offered his amendment. This is what he said:

One object of my amendment is this: The money is now going to the great centers to be used for speculative purposes, to corner markets, and everything else. On October 31, 1903, \$39,000,000 went to New York City and \$42,000,000 to New York State to constitute a fund for speculation in "industrial," etc.; in short, for plain gambling. It ought to be the object of the National Legislature to have the money go to the parts of the country that are developing most rapidly, that are building up with productive enterprise, and not merely gambling in wheat, corn, copper, and stocks; and this would be the effect, in my opinion, of doing that very thing which my amendment requires, because the security being the same, the question of comparative safety being eliminated, there is nothing left to determine the direction in which the money shall go except the question of comparative rate of interest. It will therefore go to the place of the highest prevailing interest rate.

Now, I want to show to the gentleman from Mississippi, and to every other Member of the House, that precisely the thing which he wants to do he is not doing, and precisely the thing which he is trying to avoid he is doing by his amendment, and I think I can satisfy you gentlemen of that fact.

Take, first, the 10 per cent section of the country. I want to get a Government deposit as a banker. I have to take \$105,000 of my own money, or my bank's money, worth to me 10 per cent, loaned by me at 10 per cent right straight along, and do what with it? I have got to invest it in 2 per cent bonds—\$105,000—with a loss of 10 per cent on the interest.

My first loss in the transaction would be \$10,500, if I stopped there. But in lieu of that \$105,000 I get \$100,000 of Government bonds, from which I cut off coupons every year amounting to \$2,000. Therefore I must credit the loss with that amount. I do that, less interest on the bonds received, \$2,000. My loss so far has been \$8,500 in one year on an investment of \$105,000.

Mr. BARTLETT. But the moment you put that into United States bonds you do not have to pay any taxes at all.

Mr. HILL of Connecticut. That is a small feature, but before I get through I will show that that is entirely overcome by something else. What do I then do? I go to the Treasury Department and I deposit my \$100,000 in bonds, and ask them for a deposit of an equal amount of money and they give me \$100,000 to deposit in the bank. Now, under the law I am required to hold a reserve of 15 per cent, which I can not loan at all. I therefore have \$85,000 of loanable funds out of the deposit which I have received, and I loan that at 10 per cent, and it nets \$8,500, and there is neither profit nor loss in the transaction.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HILL of Connecticut. Mr. Chairman, I ask unanimous consent that my time may be extended until I can get through with this chart.

The CHAIRMAN. Unanimous consent is asked that the time of the gentleman be extended until he can conclude his remarks. Is there objection?

There was no objection.

Mr. PERKINS. Mr. Chairman, I would like to ask a question. Would not the gentleman have been obliged to hold the 15 per cent reserve on the \$100,000 he took with which to purchase bonds?

Mr. HILL of Connecticut. The gentleman asks me if it would not be necessary to hold \$15,000 on the first \$105,000. Not at all.

That is not a deposit. That is my own money. That is the money belonging to the bank, the capital of the bank, if you please. But even if a reserve was required it would simply change the figures, but not affect the principle which I am trying to illustrate.

Mr. PERKINS. But with the bank it would be a deposit.

Mr. DICKERMAN. You would have to hold that, of course, if you had \$105,000 in bank. You have got to keep your reserve, as a matter of course.

Mr. LIND. But, as a matter of fact, the Treasury does not insist that any reserve be held.

Mr. HILL of Connecticut. I admit the criticism of the gentleman from Minnesota [Mr. LIND] that the Treasury does not insist, and the reason is this: The law insists, and no regulation of the Treasury has ever been made to the contrary. But there is no penalty under the law, and the Secretary of the Treasury chooses not to prescribe a penalty. I will add, furthermore, that many of the banks do—the prudent, cautious banks do maintain a reserve in accordance with the law. Now, the New York banks maintain 25 per cent.

Mr. LIND. I would ask the gentleman whether a bank having public deposits can not, under existing regulations, loan just as large a percentage of the money deposited as it can of its own funds?

Mr. HILL of Connecticut. No; because the law does not require a reserve against its own funds.

Mr. LIND. As a matter of practice they do.

Mr. HILL of Connecticut. Oh, not at all. Every bank is compelled to maintain its reserve against its deposits, but it does not have to maintain a reserve against its own capital and surplus.

Mr. LIND. But it is not enforced against these funds that are deposited on bond security.

Mr. HILL of Connecticut. One moment, Mr. Chairman. I presume there will be a great many questions before I get through, and if the gentleman will kindly allow me to get through with these three illustrations I will then answer the questions that are asked.

Mr. LIND. I just want to call attention to one point. No bank would loan all its funds. A prudent bank would probably retain 15 per cent of its funds.

Mr. HILL of Connecticut. Certainly; and as a rule a larger amount.

Mr. LIND. So that when you estimate the interest on \$100,000, in the first instance, why should you not estimate interest on \$85,000 in the first instance, and thus put it fairly before the House?

Mr. HILL of Connecticut. Simply because, in the first place, it is a deposit, and the law requires 15 per cent. I could not take a haphazard case in making this illustration. I am going exactly in accordance with the law.

Now, in a 10 per cent section, gentlemen, anybody can take a Government deposit and come out even, provided they do not have any shrinkage in their \$5,000 of premiums on the bonds during the time they are holding their deposit. They must take their chances on that. Now, I want to show how a lower rate of interest will furnish more profit. Take No. 2 in the 6 per cent section. You take the 6 per cent section and the \$105,000, at 6 per cent, nets \$6,300 loss. The interest received from the 2 per cent bonds, \$2,000, leaves the net loss \$4,300. Now, then, you get that deposit. You deduct the 15 per cent reserve required by law and loan the \$85,000 deposit at 6 per cent, and you have got \$5,100, and the \$5,100 minus \$4,300 leaves \$800 net profit by loaning that money at 6 per cent, where no profit at all was made in loaning it at 10 per cent.

Now, coming down to No. 3, you make the same investment of \$105,000 with a stock exchange Wall street bank, with money at 2 per cent, and the loss is \$2,100. You recoup yourself with the \$2,000 interest, and you have a net loss on the first transaction of \$100. You loan your \$85,000—

Mr. TALBOTT. Do you mean 2 per cent a month?

Mr. HILL of Connecticut. No; 2 per cent per annum.

Mr. TALBOTT. Is any New York bank loaning at 2 per cent?

Mr. HILL of Connecticut. Yes; they loaned all summer on call at 1 per cent. There was very little money loaned at higher than 1½ per cent during the summer months. Now, you loan the \$85,000 at 2 per cent and you have \$1,700, from which you deduct your loss of \$100, and you have a net profit of \$1,600. I will insert this showing in the RECORD at this point.

No. 1.—10 per cent rate.

Investment, \$105,000, at 10 per cent.....	\$10,500
Less interest on bonds received.....	2,000
Loss.....	8,500
Deposit, \$100,000; less reserve, \$15,000; loan power, \$85,000, at 10 per cent.....	8,500
No profit. Loaning power reduced \$20,000 to the community.	

No. 2.—6 per cent market.

Investment, \$105,000, at 6 per cent.....	\$6,300
Less interest on bonds received.....	2,000
Net loss.....	4,300
Deposit, \$100,000; less reserve, \$15,000; loan power, \$85,000, at 6 per cent.....	5,100
Profit.....	800

No. 3.—2 per cent market.

Investment, \$105,000, at 2 per cent.....	\$2,100
Less interest on bonds received.....	2,000
Net loss.....	100
Deposit, \$100,000; less reserve, \$15,000; loan power, \$85,000, at 2 per cent.....	1,700
Profit.....	1,600

No. 1 can bid nothing for deposit, No. 2 can bid eight-tenths of 1 per cent, and No. 3 can bid 1.6 of 1 per cent, and take it all.

NOTE.—For the sake of uniformity I have made the reserve 15 per cent in each case. The 25 per cent required by law in the reserve city would only strengthen the argument and make the showing more effective.

What is the result? That Government deposit at 2 per cent makes you \$1,600. Now, do not misunderstand me; you make \$1,600 more than you would have made if you had loaned your own money at the start without having the Government deposit. You make nothing in the 10 per cent market more than you would have made if you had loaned your own money at the beginning without taking the Government deposit, but in the second case you make \$800 more. If Mr. WILLIAMS's amendment providing that the bank should pay interest on this money should go into effect, how much could they pay, how much would they pay? The bank in the 2 per cent money market has made \$1,600. They could pay 1.6 and come out even. The 6 per cent money market bank could pay eight-tenths of 1 per cent, just exactly half what the 2 per cent money market bank could, and come out even. The 10 per cent bank could not bid at all, because they have not made a cent on the transaction. Now, why is that so? It seems like a fallacy. The simple explanation of the whole thing is this: Many people think they have got a great deal more money loaned than in the first place, but the actual fact is that, aside from the bond investment, the loaning power of the bank is in every case \$20,000 less than it was when the transaction started—\$20,000 less than it would have been if they had not taken the Government deposit at all. Why? Because the preliminary action, the very first thing that must be done, is to take this good money and go and lock it up in the Government 2 per cent bonds and deposit them for security.

Mr. WILLIAMS of Mississippi. Is that practically true?

Mr. HILL of Connecticut. That is absolutely true.

Mr. WILLIAMS of Mississippi. Is that done?

Mr. HILL of Connecticut. That is absolutely true.

Mr. WILLIAMS of Mississippi. In the majority of cases do not they loan the bonds?

Mr. HILL of Connecticut. I will come to that in a minute. Now, how does this work? Here is \$5,000 of premiums on which there is no interest at all, and \$15,000 of reserve on which there is no interest. That makes \$20,000. At 10 per cent it is \$2,000.

Against this you receive \$2,000 of coupons from the bonds, and consequently you are even. Take the 6 per cent case. You have the \$5,000 of premiums and \$15,000 of reserve, making \$20,000 on which you lose 6 per cent interest, namely, \$1,200; you have \$2,000 of coupons back from the interest on the bonds, and the difference is \$800. That is the profit.

Mr. COCKRAN of New York. Will the gentleman allow me a question? I think he will save time if I ask him a question now.

Mr. HILL of Connecticut. Certainly.

Mr. COCKRAN of New York. Where does the gentleman from Connecticut get his territorial divisions in the rate of interest? What does he mean by 10 per cent belt, a 6 per cent belt, and a 2 per cent belt?

Mr. HILL of Connecticut. I presume there are a great many looking at me who could explain that matter, very unfortunately. I understand that the State of Minnesota has 10 per cent.

Mr. COCKRAN of New York. The 2 per cent market is really the market for call loans and your 10 per cent rate is for temporary loans. How can you make a comparison between those two?

Mr. HILL of Connecticut. I am simply taking the situation as I find it in different sections of the country.

Mr. COCKRAN of New York. Isn't the 2 per cent rate, which

you say is peculiar to New York, exactly the same rate that you get in Minnesota?

Mr. HILL of Connecticut. The gentleman from Minnesota [Mr. McCLEARY] stands in front of me, and I will ask him if he knows of any loans or call loans at 2 per cent in Minnesota?

Mr. COCKRAN of New York. If I could finish my question, perhaps the gentleman and I would agree. I asked if there is any distinction between the rate paid for call loans in New York and the rate paid for call loans in Minnesota on the same security?

Mr. HILL of Connecticut. I will have to inquire of the gentleman from Minnesota [Mr. McCLEARY].

Mr. COCKRAN of New York. You will have to answer, because you have made a disquisition on the subject to the effect that there is a difference.

Mr. HILL of Connecticut. I would say the call-loan business—

Mr. COCKRAN of New York. I will ask the gentleman if he does not know that every bank in Minnesota maintains a deposit in New York at about the rate of 2 per cent, which is a call loan?

Mr. HILL of Connecticut. I understand that a great many of the banks in Minnesota maintain their reserve, which they are required to keep by law, in reserve city banks, on which some of them get 2 per cent, some of them get 1½ per cent, and some of them get nothing.

Mr. COCKRAN of New York. They get the prevailing call-loan rate.

Mr. HILL of Connecticut. The call-loan rate has nothing to do with that. I think that the gentleman will concede that what I say is correct that this summer when the western banks were getting 2 per cent interest on their reserve, he will recall to mind that call money in Wall street was only 1 per cent.

Mr. COCKRAN of New York. Then they were doing better. Does the gentleman believe that in any bank in the world, in Minnesota or elsewhere, money could be loaned upon the basis which he describes there in time loans at 10 per cent?

Mr. HILL of Connecticut. I mean that in parts of Minnesota and many other sections the discount rate is 10 per cent. The gentleman here says it is the rate allowed by law.

Mr. COCKRAN of New York. I would like to get this answer clear. Do I understand the gentleman to say that in Minnesota or anywhere else in the United States all the funds of a bank could be loaned on time?

Mr. HILL of Connecticut. I am not informed as to that. I am speaking of the discount rate. But it makes no difference whether all or part is loaned at that rate.

Mr. COCKRAN of New York. But you assume they all come under the 10 per cent rate.

Mr. HILL of Connecticut. Not at all.

Now, gentlemen, I think it is perfectly manifest that in bidding to get a deposit the 10 per cent section of the country can not bid, because they can make no profit.

Mr. GILBERT. Will the gentleman allow me to ask him a question?

Mr. HILL of Connecticut. Certainly.

Mr. GILBERT. In those territories where money is worth 10 per cent, would not the loss that you have demonstrated be more than compensated for in view of the fact that in those communities the banks would loan their money, if deposited, at 10 per cent?

Mr. HILL of Connecticut. I desire to state that I have said nothing during the past few days in regard to the various arguments that have been made on the question of the advantages to the communities of these Government deposits. As a matter of fact, every bank that accepts Government deposits lessens its loaning power to the community by 20 per cent of the amount of that deposit.

Mr. GILBERT. It does not embark in the banking business for the purpose of realizing a profit out of these bonds, or the money invested in these bonds.

Mr. HILL of Connecticut. It takes the Government deposit solely for the profit there is in it.

Mr. GILBERT. It takes the Government bonds solely for the purpose of enabling it to go into the banking business, not to get a profit on those bonds; but it enables them to loan the deposit to its customers, and in those communities where 10 per cent is obtainable the profit is larger in proportion.

Mr. HILL of Connecticut. Now, let me show you this. In the 6 per cent section the bank can take a deposit and make a profit of \$800 a year on \$100,000. But will they do it and pay part of that as interest to the Government? The Comptroller's report shows that with 2 per cent bonds at 104.7 the profit on circulation is \$1,028 on \$100,000. With Government bonds at

the same rate, 104.7, which was the average price last year, the profit on the \$100,000 deposit would be \$818, and the bank makes nearly 25 per cent less than it could make on the circulation; so that if they would take a Government deposit at a profit of \$818 and out of it pay interest, why do they not take the circulation at a profit of \$1,028? There is to-day uncalled for an unclaimed circulation to the amount of \$300,000,000, because the profit derived from the circulation does not justify the banks in taking it out. Yet the gentleman from Mississippi [Mr. WILLIAMS] endeavors to convince this House that a bank which makes 25 per cent less on deposit than on circulation will pay interest on the deposit for the sake of securing it. They are absolutely barred out of the market.

Now, let me go a little further. Take the 2 per cent banks, which get 1.6 per cent profit on their Government deposits.

Mr. FITZGERALD. Is there any such thing as a 2 per cent bank?

Mr. HILL of Connecticut. Oh, not at all. I was speaking of the money invested by the bank in Government bonds as security for deposits.

Mr. FITZGERALD. Are these Government deposits that you talk of as being made to these banks loaned at 2 per cent? As a matter of fact, does any bank loan out its money at 2 per cent, even in New York?

Will the gentleman answer that question, if he knows of any bank which takes out this money from the Treasury and loans it at 2 per cent only?

Mr. HILL of Connecticut. I will state to the gentleman, as I stated to the other gentleman from New York, that during this summer millions on millions of dollars have been loaned out at 1 per cent.

Mr. FITZGERALD. Does the gentleman mean to say that banks getting these deposits lend them at 2 per cent?

Mr. HILL of Connecticut. With the 1.6 per cent which they make on the deposit in the 2 per cent call money market, the bank can pay something in the way of interest.

And I submit—pardon me until I have finished this—that it is proved absolutely, both by the figures which the gentleman from New Jersey [Mr. FOWLER] gave and by the figures of the Treasury Department, that a compulsory rate of interest charged will bar out the 10 and 6 per cent classes, and that a 2 per cent rate of interest would bar out and make a loss even to the Wall street banks.

What are the conditions now? In order that there may be no misunderstanding about it, for you are all interested in behalf of your constituents, permit me to show that this money is now distributed all over the United States.

Mr. PIERCE. May I ask the gentleman a question?

Mr. HILL of Connecticut. In just a minute. I say you are all interested in behalf of your constituents. This money is now distributed all over the United States. There is not a State or Territory or District in which it is not now placed. Fifty-two States, Territories, and Districts hold this money, every single one having had money sent to it by the Treasury of the United States. If you pass an amendment here which bars out those banks, the first proposition is that you strip those banks of the deposits which they now have, because you render it impossible for them to continue them at any profit.

Mr. PIERCE. Now, will you let me ask you that question?

Mr. HILL of Connecticut. Understand, I am not claiming that it is any special advantage to the particular section of the country to have these deposits, except under one condition—

Mr. PIERCE. Is this a branch of Coin's, Hill's, or Chadwick's school of finance? [Laughter.]

Mr. HILL of Connecticut. I am trying to make this plain and clear.

Mr. SHERLEY. If the gentleman will permit me, is it not true that the depositing of Government moneys out through the country at large, instead of increasing the money in a particular community where the money is deposited, actually decreases it?

Mr. HILL of Connecticut. Absolutely, by 20 per cent, except under some conditions. There are two conditions under which it increases it. If a bank located in Kentucky, the State from which my friend comes, can find in its community bonds which it can buy, and thereby change a fixed investment into floating capital, his community is benefited; but it would be a very rare thing for him to find bonds there. Now, that is one case. The other is where the bonds can be borrowed at a rate which will afford a profit and where no actual investment in the bond is made.

Mr. SHERLEY. Would not the community be just as much benefited if the owner of those bonds sold them in the open market?

Mr. HILL of Connecticut. Precisely the same.

Mr. SHERLEY. Then there is no advantage to the country in Government deposits?

Mr. HILL of Connecticut. I have said that the loaning power of the bank is absolutely reduced by 20 per cent on every dollar of deposits that the bank takes.

Mr. SHERLEY. The reason I want to bring that out clearly is because the gentleman from Indiana—

Mr. HILL of Connecticut. Now, I beg pardon. I said I would not reply to that argument.

Mr. GARNER. Will the gentleman yield for a question?

Mr. HILL of Connecticut. Yes.

Mr. GARNER. How does the gentleman account for the fact that banks desire these deposits, if they decrease the loaning power of the banks 20 per cent?

Mr. HILL of Connecticut. Because they make money on them in spite of the fact that the loaning power to the community is lessened.

Mr. GARNER. How can they make money on those deposits if the deposits decrease their loaning power 20 per cent?

Mr. HILL of Connecticut. Because they make more on the loaning of the Government deposits, with the interest on the bonds added, than they would have made if they had loaned their own money only, in the one case \$800 more and in the other case \$1,600, and banks are looking for a profit.

Mr. GARNER. Then, as a matter of fact, the 10 per cent field does not make a cent by these deposits?

Mr. HILL of Connecticut. The 10 per cent field neither makes nor loses.

Mr. GARNER. Then why do the banks in the 10 per cent field seek these deposits?

Mr. BEDE. I will tell you why: Because of the prestige which it gives to the banks.

Mr. McCLEARY of Minnesota. The words "United States depository" on the front door are worth something to the bank.

Mr. HILL of Connecticut. On the last day of September there were deposited \$69,000,000 in what are known as regular depositories. Those are the depositories where the internal-revenue money is collected and paid in. I will take, for instance, a bank in Minneapolis. Suppose that the bank in Minneapolis puts up \$50,000 of bonds. Within that amount, as these internal-revenue receipts are collected, they hold it. If the receipts run up in excess of \$50,000 the bank is required to remit the excess to the Treasury, but within \$50,000 they can hold it subject to a draft of the Treasury. These are called "regular depositories." Aside from these, there are what are known as "special depositories," holding about \$46,000,000 in the aggregate.

Now, gentlemen, we have spent two or three days in discussing this question of interest. There is now outstanding a call for 25 per cent of the entire deposit, regular and special; 10 per cent of that is to be paid week after next, 15 per cent on the 15th of March. That cuts the total down to \$88,000,000. If conditions continue this year as they were last, the expenses increasing and the revenues decreasing, one year from now you will have no occasion to discuss the question of interest on Government deposits—none whatever—for they will be entirely disposed of, so far as the special deposits are concerned.

The question comes right down to this, and I do not think the figures can be disputed, it is Government bond security and no interest, or it is interest and no Government bond security. That is the question, and you must take your choice.

The gentleman from New Jersey [Mr. FOWLER] has offered a different proposition, but I think the plan which he offers comes nearer to what the gentleman from Mississippi wants than does the amendment offered by the gentleman from Mississippi himself. But it is a question of whether you will take Government money and loan it out at the discretion and judgment of one man, investing the Secretary of the Treasury with banking functions, to use his judgment concerning the assets of the bank. Now, I am not going to speak for or against that proposition.

Mr. GILBERT. The gentleman from Connecticut started out by saying that he disagreed with the chairman of the committee on some proposition.

Mr. HILL of Connecticut. On the figures he gave. I think he only gave a part of them. I think the Treasury Department gave a list of the returns from investments in various classes of bonds, but they did not supplement that list by showing the profit received from the deposits. I think that is where the difference is between the gentleman from New Jersey and myself. I have completed the transaction and he only gave a part of it.

Now, as I say, I am not going to discuss the question as to whether it is wise for the Representatives to deliberately, in the last year, probably, of Government deposits, special deposits at least, discuss the question of overthrowing the uni-

form practice of the Government for the last forty years. In my judgment it is unwise. In my judgment the American people will say that security is the first thing they are looking for and interest is the last thing they are thinking of.

Mr. SHERLEY. Does not the gentleman think that under our present national banking laws every national bank ought to be so secure as to make not only Government but individual deposits safe?

Mr. HILL of Connecticut. Personally, I believe they are. I said I would not discuss it. I believe the plan of a paramount lien on the bank assets submitted by the gentleman from New Jersey [Mr. FOWLER] is absolutely safe, but I do not believe that you can convince the American people that it is. We have tried it once on asset currency, and we didn't get very far with it. [Laughter.]

Mr. SHERLEY. Then the gentleman wants to take the position which he thinks is stable because the people will not agree with him?

Mr. HILL of Connecticut. Not at all. I am free to say that I think it is safe. But there is another thing I will say to my legal friend from Kentucky, a gentleman whose ability I respect, that I believe it is wrong in principle to invest the Treasury of the United States with banking functions. It is the business of corporations or banks chartered by the State and by the nation, and the time might come in the history of this country when the people would regret that they had ever given to the Secretary of the Treasury power to take the funds of the country and loan them out at his own discretion without bond security.

Mr. COCKRAN of New York. Will the gentleman from Connecticut tell us what his bill aims at except to have the Secretary of the Treasury discharge that very function?

Mr. HILL of Connecticut. The bill aims at this, that customs and revenue funds should be treated alike under present conditions and without any change of law as to either security or interest, and I think the Committee on Banking and Currency are unanimously in favor of that proposition.

This other amendment providing for interest and asset security brings us back again to the suggestion which I made the other day, that it is too great a question and too important a question to be decided offhand on the spur of the moment by the House of Representatives. It should go to the committee, and after careful and judicious hearings, the whole subject in all its bearings being carefully considered, a perfected interest proposition should be brought in here. I am not the man to vote against interest on Government deposits when such a proposition has been submitted.

Mr. FOWLER. But does not the gentleman from Connecticut [Mr. HILL] know that this very proposition, word for word, came from the Banking and Currency Committee two years ago when he was on the committee?

Mr. HILL of Connecticut. Yes; and I will state, furthermore, that there are gentlemen on this floor who will object to a fixed rate of interest. The gentleman from Mississippi [Mr. WILLIAMS] himself objects to a fixed rate of interest.

Mr. FOWLER. I am not talking about that.

Mr. HILL of Connecticut. The proposition that came from the Banking and Currency Committee was for a fixed rate of interest.

Mr. FOWLER. So is this, 2 per cent.

Mr. HILL of Connecticut. That is what I say. I am saying now that the proposition of the gentleman from Mississippi is not for 2 per cent, but for receiving bids for the use of this money.

Mr. FOWLER. I know; but I am getting back to your assault upon the proposition in the amendment that I offer.

Mr. HILL of Connecticut. Not at all. I have no opposition to make to the gentleman's amendment. I neither oppose nor favor it. I simply say that I think the proposition made by the gentleman from New Jersey [Mr. FOWLER] is a safe one.

Mr. COCKRAN of New York. Mr. Chairman, I would ask the gentleman if he will allow me a question, so that we can get his position before the committee.

The CHAIRMAN. Does the gentleman from Connecticut yield to the gentleman from New York?

Mr. HILL of Connecticut. Certainly.

Mr. COCKRAN of New York. I understand the gentleman to say that he objects to the Secretary of the Treasury being equipped with the power to dispose of the funds of the United States in the ordinary process of banking.

Mr. HILL of Connecticut. Yes; I will agree to that.

Mr. COCKRAN of New York. This bill aims to give to the Secretary of the Treasury the power to make the deposits without interest.

Mr. HILL of Connecticut. Yes; without interest.

Mr. COCKRAN of New York. Yes.

Mr. HILL of Connecticut. Well, that is not using the ordinary processes of banking.

Mr. COCKRAN of New York. I understand, and the precise distinction is that the gentleman from Connecticut thinks it is not banking when he does not get interest for it, although the banks are willing to pay interest, and it is banking when he gives it to them for nothing.

Mr. HILL of Connecticut. Oh, the gentleman is a man of marvelous ability, with a power of expression equaled by few people in the country, but he can not get me away from the fundamental proposition that the United States Treasury ought not to be invested with banking functions.

Mr. COCKRAN of New York. I agree with the gentleman there.

Mr. HILL of Connecticut. With the power to loan at its discretion to one man at one rate of interest and to another at another rate of interest, exercising the functions and the privileges of a president of a bank sitting in his banking parlor.

Mr. COCKRAN of New York. Oh, I agree with the gentleman there.

Mr. DANIELS. Mr. Chairman, I raise the point of order that the House is not in order.

The CHAIRMAN. The point is well taken.

Mr. HILL of Connecticut. Mr. Chairman, I am going to stop in just a moment. You have to vote on this proposition: Will you change your existing conditions in the face of a rapidly falling surplus and overthrow the practice and experience of the United States Government for forty years? It is a question with which we are face to face. It is bond security and no interest or interest and no bond security.

Mr. JAMES. Mr. Chairman, I would like to ask a question. If I understand the gentleman correctly, his contention is that the banks could not afford to pay interest to the Government because they could not make any money by doing that.

Mr. HILL of Connecticut. I say that the Wall street banks, in a 2 per cent call-money market, can afford to pay interest, but nobody else can.

Mr. JAMES. If the gentleman's original contention that they could not afford to pay interest was true, then they would not pay interest, and nobody would be hurt.

Mr. HILL of Connecticut. And the result would be that the deposits would go back into the Treasury of the United States.

Mr. JAMES. Not at all. Why not give the people the opportunity to say whether or not the gentleman is right, whether or not the banks would be willing to pay interest for the people's money?

Mr. HILL of Connecticut. That is all right. I would be perfectly willing to give the people an opportunity for proving that three and two make four instead of five, but I think it would be a waste of time.

Mr. COCKRAN of New York. The gentleman would prefer to show them that three and two make six.

Mr. HILL of Connecticut. I prefer to show them that three and two make five and not four. I thank the Members of the House for their attention. [Applause.]

Mr. WILLIAMS of Mississippi. Mr. Chairman, I feel disposed to paraphrase a very celebrated utterance and say that there are three sorts of fallacies—plain fallacies, blamed fallacies, and expert fallacies. Now, we have listened to an argument of the expert character a moment ago which if it proves anything proves this: The gentleman from Connecticut and I are in the banking business. I live in a 10 per cent interest field, and the gentleman from Connecticut—

Mr. HILL of Connecticut. You do not care to have this map remain here?

Mr. WILLIAMS of Mississippi. Leave it there; I would not get that thing out of the way. That ought to be worshiped, because it is "like nothing in the heavens above or the earth beneath or the waters under the earth." We have listened to an argument which if it proves anything at all proves this, that the gentleman from Connecticut and I engage in the same sort of business. I in a 10 per cent interest field and he in a 2 per cent interest field go through with certain operations, the same operations precisely, to get a certain deposit of Government money. I have a bond and he has a bond, both bearing the same rate of interest. We deposit them with the Government on exactly the same regulations and after we have deposited them there we continue to draw upon our respective bonds the rate of interest which the bonds originally drew and then, as a result of the deposit, we have obtained from the Government a certain net amount of money. So far we have performed exactly in the same rôle, but now we reach a point of divergence. We proceed to use our money, let us say \$85,000 as under his figures, because the gentleman deducts \$15,000 as

the reserve required by law, the gentleman having neglected to tell the House that any safe banking business in the world, if it had kept the original \$100,000, would also have kept in reserve at least 15 per cent if it was doing a safe banking business. Now, then, we have come to where we have \$85,000 apiece, and this expert speech, to which we have just listened, teaches us that when we have got to that point, traveling the same road—

Mr. HILL of Connecticut. Will the gentleman permit me—

Mr. WILLIAMS of Mississippi. Wait until I get through the trip. We then proceed to loan out our \$85,000, I at 10 per cent and the gentleman at 2 per cent, and then it is proven beyond all cavil of doubt by expert fallacy—the supremest sort of fallacy—the gentleman from Connecticut being spokesman, that when I loan my \$85,000 at 10 per cent I lose money and when he loans his \$85,000 at 2 per cent he makes money. [Applause on the Democratic side.]

Mr. HILL of Connecticut. Now, will the gentleman permit me?

Mr. WILLIAMS of Mississippi. One word more and then I will listen to you. [Applause on the Democratic side.] Wait until I have finished this statement and I will listen to the gentleman. Now, part of the fallacy consists in this: Look how ingeniously my friend from Connecticut has put that, "Number one, 10 per cent rate field; investment, \$105,000 at 10 per cent; sacrifice of interest, \$10,500;" from which he generously deducts the amount already drawn in the shape of interest upon the bond—\$2,000—and then he marks it as a "loss" of \$8,500, which he tells us afterwards cancels the profit of 10 per cent upon \$85,000 and makes me come out even.

Mr. HILL of Connecticut. Will the gentleman permit?

Mr. WILLIAMS of Mississippi. Wait a minute.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COCKRAN of New York. I trust the gentleman's time will be extended until the completion of his remarks.

The CHAIRMAN. Unanimous consent is asked that the time of the gentleman from Mississippi be extended until the completion of his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. WILLIAMS of Mississippi. I want to call attention to this fallacy above before the gentleman interrupts me again, because when the gentleman undertakes to help me out in figures I do not know what is going to become of my nervous system. Now, the gentleman calls that a "loss." Gentlemen, that is a fallacy. He would have you believe the man is losing \$8,500 because he has abstracted that much from a 10-per cent market. Now, he has not lost a dollar. Now, let me show you.

Mr. HILL of Connecticut. Will the gentleman yield?

Mr. WILLIAMS of Mississippi. Oh, I can not have you interrupt me now; I said I would yield in a minute as soon as I had made this statement. You confuse me.

That is no loss. What has happened to the man? He has turned \$100,000 of money plus \$5,000 more money into a \$100,000 United States bond, has he not? After he has done that what has happened to him? Why, nothing, except a lessening of the rate of interest that he is drawing on his money. As long as he had the \$100,000, or the bond was worth that at par, his money or his bond was bringing him net 2 per cent, but when it cost him \$105,000 to buy a \$100,000 bond then his bond is bringing him, on rough calculation, 1.9 per cent. So he still continues to draw interest on what? On \$105,000. At what rate? At the rate of 1.9 per cent. He has lost \$8,500. What has happened to the man? He is drawing interest on \$105,000 at the rate of 1½ per cent, and he is drawing in addition to that, interest on \$85,000 at the rate of 10 per cent. So he is making \$2,000 interest on the bond in one place and \$8,500 interest on his money minus the reserve in another place, making \$10,500 interest upon the money. He has lost nothing, and the gentleman does not and can not figure it so that he has lost anything, except if we permit the gentleman to keep books on one side of the ledger alone and contend that the man must keep his reserve of 15 per cent after he has become the depository, but that he could do a safe business without a reserve before he turned his \$105,000 into a bond. Then he would have the advantage of \$15,000 in each \$100,000. But that is not true. That is not safe business, and no safe banker would do business of that sort. He must keep in reserve to be safe about 15 per cent anyway.

Now, the gentleman forgets another thing—and, by the way, my other distinguished colleague, the gentleman from New Jersey, a financial expert, who makes mysteries of money science, in his amendment and in his remarks that he made concerning it this morning, proceeds upon the idea that after the bank in either the 10 per cent interest field or the 2 per

cent interest field, I care not which, gets this money it proceeds to lend it by the year. That is not true. The very profit of banking consists in lending for a short term, say thirty, sixty, or at most ninety days, and then lending the interest collected each time over again, and thus compounding it. One man is compounding in a 10 per cent market and the other man is compounding in a 2 per cent market. The difference is obvious and immense.

Now, a few words concerning the amendment of the gentleman from New Jersey [Mr. FOWLER]. There are two vital objections to it. One is that it fixes the rate of interest at a certain percentage—2 per cent. It thereby deprives the scheme of its automatic feature, and the automatic feature is the feature of it that ought to be retained. In other words, the deposit ought to take place in such a way that the money will go at whatever rate of interest is prevailing in the market at a profit to the operator after paying that rate of interest, and to the field of industrial enterprise most needing it and best able to pay for it. Hence we ought not to be tied down to a rate of interest. At some stages of the market nobody could afford to pay 2 per cent; at other stages of the market everybody could afford to pay 2 per cent; then would come up the same system of favoritism of selection between the same people wanting to pay 2 per cent as comes now.

But that is not all. The gentleman from New Jersey says his system is "perfectly safe." The gentleman from Connecticut [Mr. HILL] says that the system proposed by the gentleman from New Jersey is perfectly safe also. Now, I will agree with both gentlemen that, so far as the Government loan is concerned, it is perfectly safe. But I deny that it is safe banking, because I urge that when the Government deposits the money in these banks without any special security deposited by the borrowing banks, and takes merely a first lien upon their assets, we impair the security of the other depositors in the national banks, and there is no occasion to do that.

Now, then, if the gentleman wants to offer an amendment which will do away with the objections which he says lie to my amendment, let him offer an amendment to the effect that, instead of being required to deposit United States bonds, they can deposit "security satisfactory in the opinion of the Secretary of the Treasury"—any security by national or other banks satisfactory to the Secretary of the Treasury.

I do not believe I would vote for that, but it would accomplish his purpose at any rate, or the purpose which he says he has. But let him not deposit with these people at interest, and merely make the Government safe, while he impairs the assets of the banks, that go to the satisfaction of the demands and liabilities of depositors, by making one depositor, to wit, the Government, a preferred creditor. The gentleman says it is "perfectly safe." I believe in nine cases out of ten the Government would get back its money; but suppose it had had a little of it deposited out here in these Chadwick banks the other day, how much do you suppose the depositors would have gotten back of their money? And in one of those cases at any rate, if I remember the figures correctly, even the Government would not have gotten back its money.

Now, besides that error in the gentleman's statement and in his figures this morning, there is another. If the gentleman will take the trouble to figure it out carefully, he will find that at the present rate of bond premium you can not become a Government depository at 2 per cent with a profit in certain markets of the country; but that there is a percentage at which it would be profitable to become a depository, and if the percentage was left to be settled automatically by bidding, that percentage would be arrived at.

Now, one word more and I am through, and then I will answer the question of the gentleman from Connecticut. The gentleman from Connecticut [Mr. HILL] says, and I took down his language:

Every bank lessens its loaning power by 20 per cent when it becomes a Government depository.

Mr. HILL of Connecticut. Twenty per cent of the amount of the Government deposit.

Mr. WILLIAMS of Mississippi. Twenty per cent of the amount of the Government deposit, that is what I mean. In other words, if a bank receives a deposit of a hundred thousand dollars it lessens what it could have loaned, if it had not received it, by 20 per cent.

Mr. HILL of Connecticut. If it complies with the law.

Mr. WILLIAMS of Mississippi. Of course, and I am assuming that it does comply with the law.

Now, the gentleman wants us to believe two things, the latter of which he must believe, because it is patent before his eyes every day. The first thing is that every bank that becomes a depository lessens its loaning power 20 per cent. That state-

ment is based upon his utterance. Then he will likewise want us to believe, I presume, because it is palpable to all our eyes, that in spite of that fact all the national banks of this country are clamoring every day to become Government depositories. Either might be credible. Both are incredible.

Now, the gentleman says that we will send all of this money to the great centers, if my amendment be adopted, because they can use the money to much greater advantage at 2 per cent than the banks down South and West can use it at 8 and 6 per cent. I am going to grant, for the sake of argument, just a moment, that there is something in what the gentleman has said. I do not grant it for any other purpose, because you can not make me believe that when a man's rate of interest is reduced from 2 per cent to 1.9 per cent upon his bonds and he still makes interest at the prevailing interest rate in his market on the balance of his money which is in loanable shape, that he has lost any money or merely come out even either; but if the gentleman were right, my answer is that in the present condition of affairs all of this money is now going to the great centers for speculative purposes. I read from the statements of October 31, 1903. They are not strictly correct now, because there has been a lessening of the general amount on deposit everywhere, but they are proportionately correct. That is to say, the amount of loans in one place as compared with another have kept at about the same relationship one to the other.

I find that in the great city of New York upon that day there were loaned to the national banks, without interest, under the name of deposits, \$39,052,000, in round numbers; that in the great city of Chicago, which has not as many different sorts of gambling rigs running as New York, and has not as great demand for this sort of money to be used on call for speculative purposes, but which is nearly as great a city, only \$2,800,000, in round numbers, were thus loaned by the Government; and in the great manufacturing and home city of Philadelphia there was only \$4,900,000, in round numbers. I find in the State of New York \$42,750,000, in round numbers.

The gentleman from Indiana [Mr. HEMENWAY] was on his feet the other day, talking about the great dread of Indiana being hurt by "all of this money going to New York" if my amendment was adopted. I find at that time that while New York State was receiving \$42,739,000 and New York City over \$39,000,000 the whole State of Indiana received but \$4,031,000. Now, the gentleman grew eloquent upon how Mississippi and Louisiana and Alabama and South Carolina and the South had been benefited and "made prosperous" even by the deposits of public moneys. I find that Alabama received \$429,000, not quite half a million; that Mississippi received \$349,000, a little over a third of a million, and Louisiana, owing to the fact that the great city of New Orleans was in that State, received eight hundred and odd some thousand dollars, near a whole million. In all the developing and productive parts of the country—and I will not read them all—you can realize the same lesson.

Let us take the State of California, for example. It got only \$2,300,000, including the great city of San Francisco, doing then nearly all the business of the Pacific slope. In other words, this money was being loaned without interest to those parts of the country that generally deal in "industrials," so called—I never knew why except that they have not much regard for industry—and in the South and West and on the Pacific, where the country is going forward by leaps and bounds in the establishment of factories, mines, sawmills, farms, and everything in the world, they got nothing, or almost nothing. I have not added it all up, but the city of New York alone gets more than all of the lower Middle West and South put together. So that if any gentleman is alarmed about the moneys leaving the West and going to New York, I will simply add that it can not go there much more disproportionately than it goes now—at the very worst. But it will not go there. Common sense teaches you that these banks would not be clamoring to be made depositories at a loss of 20 per cent of loaning power—not practically. Of course theoretically, in a way, it may be, but not in practical business. The gentleman from Connecticut says that they are losing practically 20 per cent of their loaning power, but common sense tells you that when I do the same thing as the gentleman from Missouri does, get the same amount of money, deposit the same amount of security, at the same cost, and both of us have \$85,000 left of the \$100,000, he will make more money lending out an equal sum at 10 per cent or 6 per cent than I will make at 2 per cent, unless of course he shall have been guilty of some recklessness or wastefulness.

Mr. HILL of Connecticut. Will the gentleman permit me to ask him a question?

Mr. WILLIAMS of Mississippi. Certainly.

Mr. HILL of Connecticut. The gentleman started his remarks with this sentence: "We will both start from the same point, both having bonds." Now, if the transaction started there, he would be right. But, as a matter of fact, the bonds must be procured, and the loss is caused by the necessity of procuring low-interest-rate bonds by the investment of high-rate money. Ten per cent money invested in 2 per cent bonds means a loss of 8 per cent.

Mr. WILLIAMS of Mississippi. It does not make a particle of difference at what precise moment of our existence we acquired the bonds. The gentleman and I both understand that we acquired the bonds and must have held them before we deposited the bonds. We have both got bonds, and the bonds are drawing 2 per cent nominally, i. e., drawing 2 per cent upon their face value. They are drawing one and a fraction per cent upon their cash value in the market. He has the very same that I have, and I have the very same as he has, and they are drawing the same rate of one and a fraction per cent on the investment. Now the whole fallacy is in stating that money is lost on this \$85,000. The next chief fallacy is based on the assumption that the banks loan their money for a year, when the fact is that they loan the money for a short time, and compound the interest instead of having one annual loan, as the gentleman from New Jersey said this morning.

Mr. FOWLER. Will the gentleman permit me to ask him a question?

Mr. WILLIAMS of Mississippi. Certainly.

Mr. FOWLER. I would like to ask you, for information, how often you would bid for rates upon Government bonds?

Mr. WILLIAMS of Mississippi. I did not understand the gentleman.

Mr. FOWLER. How often would you offer public moneys for bids?

Mr. WILLIAMS of Mississippi. That is left to the discretion of the Secretary of the Treasury, who could proceed by proper regulations. I did not seek in this amendment to draw up legislation covering that point. I did not have time. I did not want it to be done crudely, and therefore the entire matter is left to the discretion of the Secretary of the Treasury, subject to such regulations as he may make as to manner, time, etc.

Mr. FOWLER. Does the gentleman think it is wise to turn over to the Secretary of the Treasury one hundred millions, or one hundred and fifty millions, of dollars, to experiment with in the way of higher rates this month and higher rates next month and lower rates this month and lower rates next month, as the case may be? Does the gentleman realize that the most important thing in business is the fixity of conditions?

Mr. WILLIAMS of Mississippi. Mr. Chairman, I will answer the gentleman's question by saying that it may or may not be wise to turn over to the Secretary of the Treasury \$150,000,000 to deposit in banks with interest under such regulations as he may fix, but that it is certainly as wise as it is under this bill to turn over \$150,000,000 to deposit in these same banks, or others to be selected by him as he chooses, without interest. What is the difference? [Applause.]

Mr. FOWLER. That is the law to-day.

Mr. WILLIAMS of Mississippi. That is the law to-day. I say further, it is wise to make money on your money, if you have any money in surplus amount.

Mr. FOWLER. Does the gentleman think it is a matter of very great importance that, as compared with certain conditions of business interests of the country, we should make 3 per cent above 2?

Mr. WILLIAMS of Mississippi. I believe it would be a steadier market to loan with than without interest, and I will tell the gentleman why. You have one hundred and fifty millions in the bank to-day, not to-day, but you had it a little while ago; you have drawn some out. I am informed that we are going to issue bonds for the construction of the Panama Canal, instead of taking our own money lying idle and doing nothing. Why? Because neither the gentleman nor I would dare to take all of that money at once out of these banks, although it is earning nothing. Now, then, if it were earning something when the Government was afraid of drawing that money out of the bank, we could better afford to let it lay there than now, because the interest which it was earning from the banks would offset the interest on the bonds which the Government would have to pay when it issued the bonds. It would lead to greater stability of business, to greater fixity of governmental purpose. It could not lead to any greater instability, and if the gentleman can show me how money in any bank drawing interest could lead to any greater lack of fixity, any greater instability than the same amount of money in a bank drawing no interest, I would like to hear from him, because the Government no more dares to draw in too large an amount when it is drawing no

interest, than it would if it was drawing interest. It is not the little percentage that breaks up the business of the country, it is the principal which is being drawn out which has been loaned out and is at work in the pathways of industry. Will the gentleman from New Jersey tell me how one could lead to any greater lack of fixity than the other?

Mr. FOWLER. I think nothing could be so disturbing to the business interests of this country as to have this Government raising and lowering the rate of interest.

Mr. WILLIAMS of Mississippi. Now, I must answer that right there. I deny that the Government would be raising and lowering the rate of interest. The rate would be left to business needs to fix automatically by free and voluntary competitive offerings.

Mr. FOWLER. In other words, the United States Government would have a call loan amounting to \$150,000,000, or whatever it was.

Mr. WILLIAMS of Mississippi. They have a call loan now of \$150,000,000, or whatever it is, only they are receiving no interest on it now, and then they would be receiving interest.

Mr. FOWLER. Now, if the gentleman will allow me to answer him, and just allude by way of answer to his argument which does not at all apply to my amendment, which provides that those banks shall pay the Government 2 per cent interest, which is identical with the rate of interest that the Panama bonds draw, I will say that therefore the deposits absolutely fix the interest on the bonds.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I reply to that by saying that you ought not to prefix the interest rate. Now, then, if the gentleman will excuse me a moment, the gentleman would be doing, if he fixed a rate, just what he said a moment ago would be the "worst disturbance of business in the world," viz, have the United States Government fix a rate of interest. I would leave business to fix the rate automatically, have people bid for it for the purpose of using it in industrial fields. The gentleman from New Jersey [Mr. FOWLER] would absolutely fix a 2 per cent interest for the banks to pay the Government, and it would have its effect upon interest generally.

Mr. FOWLER. Does the gentleman mean to say that if the Government fixed a rate of 2 per cent on its deposits, wherever they might be placed, it would have the slightest effect upon the ten billions of deposits in the United States and the ten billions of discounts?

Mr. WILLIAMS of Mississippi. I should think that every dollar that went into the loan market would have its effect on the balance; yes, in the loan market. It might be almost inappreciable, but it would have its effect.

Mr. FOWLER. That is the point; it would be inappreciable.

Mr. WILLIAMS of Mississippi. It might be. I think it would be quite appreciable.

Mr. FOWLER. That is the only point the gentleman makes with reference to my amendment.

Mr. WILLIAMS of Mississippi. I make the further point that you would impair the security of depositors in national banks.

Mr. FOWLER. Now, the gentleman says that it would impair the security of depositors. Is that correct?

Mr. WILLIAMS of Mississippi. Yes.

Mr. FOWLER. Very well. If the Government had made a deposit of money without bonds and should deposit \$25,000 in a national bank, and the Government had a first lien on those assets, the gentleman asserted it would be—

Mr. WILLIAMS of Mississippi. And the bank failed.

Mr. FOWLER. Yes. That it would be an injury and would impair the security to the depositors.

Mr. WILLIAMS of Mississippi. Undoubtedly.

Mr. FOWLER. Now, let us for a moment assume that the Government change from that condition to its present condition. What would it do? It would deposit \$25,000 with the bank and would go right in behind the counter and seize \$26,000 of the assets, which they would take down to Washington and lock up. Does not the gentleman then think that it would impair the assets?

Mr. WILLIAMS of Mississippi. No; they do not seize \$26,000 of the assets to start with.

Mr. FOWLER. What do they do?

Mr. WILLIAMS of Mississippi. When people go to work to make up a national bank they go into the market and buy the bonds before they start the bank.

Mr. FOWLER. Where do they get the money to buy the bonds with?

Mr. WILLIAMS of Mississippi. How do I know? The gentleman must stop a moment. I say it would impair the security of other depositors, and I say that any man of common sense who will think for a minute will say that it must necessarily impair the security of the other depositors. What is the se-

curity the depositors have now except the assets of the bank? When a bank fails now its circulating notes already issued are fully met and more than met by the bonds deposited, so that the Government never has to go back to the assets of the bank for the payment of its circulating notes. Thus the depositors are left with an access to all of the other assets of the bank to pay them in case of the failure of the bank. Now, if the Government were one of the depositors and had \$50,000 in that bank and a preference, of course it would impair the security of the balance of the depositors, who would have to fall in behind that preference; whereas if independent security were given as now the Government would get satisfaction from that, leaving all other assets to its other depositors.

Mr. FOWLER. Does the gentleman mean to tell this House that it has not a preference after it has seized enough of the assets to pay the bonds to secure the \$50,000? Does the gentleman mean to say that it has not a preference?

Mr. WILLIAMS of Mississippi. I do not understand.

Mr. FOWLER. Does the gentleman mean to tell this House that the Government has not a preference and a prior lien on the assets when it has already seized enough of the assets to pay the bonds to secure the deposit and taken them to Washington and locked them up? Why, it is not only a judgment against the bank, but it is an execution issued and the property seized.

Mr. WILLIAMS of Mississippi. I do not understand. I understand that under the gentleman's amendment they would be given a first lien.

Mr. FOWLER. Don't they have a first lien to-day under the law as it stands?

Mr. WILLIAMS of Mississippi. No, practically not, for this reason: there is a first lien upon the assets of the bank, as far as that is concerned, for the payment of its notes, but the bonds deposited being always sufficient, the lien is practically never asserted nor the other assets resorted to.

Mr. FOWLER. How about its Government deposits?

Mr. WILLIAMS of Mississippi. As a practical fact, the gentleman knows that the bonds deposited more than pay the notes, so that the Government never has to recur to the assets of the bank for the payment of its notes; and for its deposits, as they are regulated to-day, the Government also has its security in the same way—in the shape of deposited bonds.

Mr. FOWLER. Where do the bonds come from?

Mr. WILLIAMS of Mississippi. I do not care where they come from. The Government has its security in the shape of those bonds, and, as a consequence, gets its money back if the bank fails from those bonds without having to proceed against the other assets of the bank, leaving the balance of the assets free to the other depositors.

Mr. FOWLER. Do you mean to say that those bonds deposited to secure the Government deposits are not assets of the bank?

Mr. WILLIAMS of Mississippi. The gentleman, I started to say, quibbles, but I would not say that.

Mr. FOWLER. I do not think, sir, you can say that.

Mr. WILLIAMS of Mississippi. But the gentleman is indulging in mere technicalities.

Mr. FOWLER. Not at all; in most serious facts.

Mr. WILLIAMS of Mississippi. I said a moment ago that after the bank had gone to the deposited bonds, in the case of a failed bank, to make good the amount of money owed it as a depository that its other assets, and I used the word "other," were left free for the "other" depositors to pay the obligations due them.

Mr. FOWLER. Where would the proceeds that went to purchase the Government bonds be if you did not use them to purchase the bonds?

Mr. WILLIAMS of Mississippi. How do I know? [Laughter.]

Mr. FOWLER. They would be in the use of the bank,

Mr. WILLIAMS of Mississippi. I suppose the fellows who loaned the bank the bonds, or put money in the bank, or formed the association to form the bank would still have the money, but they might have loaned it out last Tuesday, for all I know, or done something else with it, for all I know.

Now, Mr. Chairman, apologizing to the House for taking up some of its time absolutely unnecessarily, I want to thank you for your attention. [Applause.]

Mr. MARSHALL. I would like to have the gentleman yield for a question.

Mr. WILLIAMS of Mississippi. I have yielded the floor. The gentleman from Illinois has the floor.

Mr. PRINCE. Mr. Chairman, I desire to discuss the bill now before the committee. The provisions in this bill should receive the careful attention of the committee before the bill becomes a

law. The purpose of section 1 is to provide for the uniform treatment of public moneys collected from customs as well as moneys collected from internal revenues of the country. As the law now stands, money collected from customs can not be deposited in the national banks, but must be sent to the Treasury or subtreasuries of the United States, where it is kept in idleness unless used for the expenses of the Government. Aside from the trust funds held in the division of issue and redemption and a reasonable daily working cash balance, the surplus funds of the Treasury should be kept in commercial use. There is about \$30,000,000 now in the Treasury arising from customs receipts, which, if this bill becomes a law, could be placed in the national-bank depositories instead of remaining as it does now in the Treasury and subtreasuries.

States and municipalities do not lock up the proceeds of local taxation. The Government should not lock up its receipts arising from customs receipts and internal revenue or from any other source from which the Government derives receipts. Section 2 provides for the repeal of the law by which only \$3,000,000 of lawful money can be deposited with the Treasury monthly for the purpose of releasing an equal amount of bonds previously deposited as security for note circulation and to redeem an equal amount of circulating notes whenever they shall thereafter be presented for redemption. I do not agree with this section. The repeal of this last restriction will give to the national banks a free hand to contract the currency as rapidly as they see fit to do so. The provision or restriction was undoubtedly wisely placed there. December 1, 1904, the total circulation of bank notes was \$460,679,075. It clearly appears that it would not be the wise thing to allow this large volume of currency to be diminished at the will and pleasure of national banks without any restriction. The only hindrance to the ability of the banks, if they wanted to create a bankers' panic by reducing and contracting their currency, would be the capacity of the officials in the Treasury Department to do the necessary work to comply with the application for such retirement.

I notice by the views of the minority that Mr. BARTLETT states that "from information furnished him, on inquiry made of the Comptroller of the Currency, the entire amount of national-bank circulation could, if this restriction is removed, be retired in one week or less." This is giving too much power to the national banks. The power had better be reserved in the hands of the Government. The restriction, thus far, has worked no hardships either to the banks or the people. It is evident that it has worked no hardship to the banks, for they have steadily increased their circulation from a little over \$200,000,000 a few years ago up to the present circulation of \$460,000,000. Here is a case in point where it is safe to let well enough alone. Section 3 provides for the increase of subsidiary silver coinage as public necessity may demand it, from time to time, by recoinage standard silver dollars for that purpose. The present volume of silver stored in the vaults of the Treasury is equivalent to nearly 500 carloads of 30 tons each. It would cost \$100,000 to recount it. There is a growing demand for subsidiary coinage. We have no bullion to any extent out of which to coin this needed subsidiary silver.

This enormous amount of silver dollars can be used, if authorized by law, for the purpose of subsidiary coin. Every dollar of this great volume of silver dollars is redeemable at the discretion of the Secretary of the Treasury in gold. Every dollar of it that is recoined into subsidiary coin is put into circulation in the pockets of the people, in such a way that it can never be gathered up and exchanged for gold. Every dollar so coined lessens the menace, if any there be, against the gold reserve. The form of the currency is so changed that it becomes a matter of circulation and is absorbed by the people and meets an imperative and continuous demand for minor coin. This section is a wise one and should be passed by the House. Sections 5 and 6 of the bill should be considered together. The purpose of these sections is to give to the Secretary of the Treasury authority to meet the shortage in ten-dollar denomination by the issue of ten-dollar gold certificates, to permit national banks to issue notes of \$5 and upward as public convenience may require. These provisions are good ones and I believe can be safely adopted.

Mr. WILLIAMS of Mississippi has introduced an amendment requiring the national depositories to pay interest on Government funds deposited in them. Mr. FOWLER has also offered an amendment to the amendment requiring the said banks to pay to the Government interest at the rate of 2 per cent on Government deposits. The question of interest is now presented. I think it is fair to the House to state that the national banks that are depositories of public funds are anxious and desirous of being such depositories. Do they want it for the

purpose of advertisement alone, upon the windows of the banks, or is there, as conditions now exist, a money value to them in having that money?

The truth is, we all know it is of financial value to the said banks. It has been stated here, perhaps, by some that it is a loss to a bank to be a national depository. By others it is alleged that it is of value to the bank to be a national depository of public funds without paying interest on the same. Now, let us to the facts. The banks ought to know about this matter. I have a statement here, issued by the National City Bank, of New York, which states the following: The profits on \$100,000 of public deposits in a 5 per cent money market on December 1, 1904, is as follows: Based on twos, 1930, it is 1.62 per cent; based on threes, 1908, it is 1.54 per cent; based on fours, 1907, it is 1.39 per cent, and based on fours, 1925, it is 1.19 per cent. I herewith make the statement of the bank a part of my remarks.

Profit on \$100,000 of public deposits in a 5 per cent money market on December 1, 1904.

	Based on—			
	2's—1930.	3's—1908.	4's—1907.	4's—1925.
Purchase price, flat.....	104 1/4	104 1/4	106 1/4	131 1/4
Purchase price, net.....	104.418	104.630	106.087	130.799
Income from bonds.....	\$2,000	\$3,000	\$4,000	\$4,000
Income from deposit loaned at 5 per cent.....	\$5,000	\$5,000	\$5,000	\$5,000
Gross income.....	\$7,000	\$8,000	\$9,000	\$9,000
Annual sinking fund to retire premium on bonds at maturity.....	\$88	\$1,158	\$2,224	\$933
Net income.....	\$6,912	\$6,842	\$6,776	\$8,107
Income if net cost of bonds were loaned direct.....	\$5,221	\$5,232	\$5,304	\$6,540
Increased income through purchase of bonds.....	\$1,691	\$1,610	\$1,472	\$1,567
Percentage of profit on investment.....	1.62	1.54	1.39	1.19

So that as conditions now exist, buying bonds with which to give security to get Government money in the national-bank depositories, the banks make from 1.2 to 1.6 per cent. The truth is the banks do not always buy bonds in order to get money from the Government on deposit. They borrow the bonds from individuals or trust companies or other banks and pay at the rate of 1.5 per cent for the loan of said bonds. As shown by the statement of the National City Bank of New York, heretofore mentioned in my remarks, the increased income through purchase of bonds ranges from \$1,492 to \$1,691. When the bonds are borrowed by the banks the profits are greater. It is a flat profit of \$3,500 on \$100,000 of public deposits in a 5 per cent money market. To illustrate: The bank borrowing \$100,000 of bonds pays at the rate of 1.5 per cent on the face value of the bonds, which is \$1,500. It takes these borrowed bonds to the Government and gets in exchange \$100,000 in cash as a deposit, which it proceeds to loan to its customers at 5 per cent, realizing \$5,000. Deducting the \$1,500 paid for the loan of the bonds, leaves a net profit of \$3,500. The profit is correspondingly increased in a money market which has a higher rate of interest than 5 per cent. Thus it is evident that the national depository banks can well afford to pay the Government interest on Government deposits at least 1 per cent.

If the banks buy the bonds outright they can afford to pay at least 1 per cent, which would mean a profit to the Government, based upon \$100,000,000 held by the banks last year, of \$1,000,000. If the banks borrow the bonds they can more easily afford to pay a like rate of interest for Government deposits. The Government ought to insist upon interest upon its deposits in national banks. If the banks decline to pay interest, as they have a right to do, then let the Government purchase its own bonds and place the same in the Treasury uncanceled. This would save at least \$2,000,000 a year on \$100,000,000 of Government bonds purchased. These bonds, if necessary, could be sold and the money realized placed in the Treasury for general uses.

If an individual had money in the bank he would take up his own notes and stop the interest. There is no good reason why the Government should not do likewise, and I suggest that if the bonds are good security for the loan of the money, as they are, they are equally good to purchase with the money loaned to the banks without interest. If the banks have the money it is in commercial use. If the banks decline to take the money the Government can purchase its own bonds, and the money paid for the bonds at once goes into circulation and does not in the slightest degree affect the business interests of the country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HILL of Connecticut. I ask unanimous consent that the gentleman be allowed to proceed with his remarks.

The CHAIRMAN. For how long?

Mr. PRINCE. I will not take over ten minutes.

Mr. BARTLETT. I make the request that the gentleman from Illinois [Mr. PRINCE] have such time as he desires.

Mr. PRINCE. I will proceed as rapidly as I can.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. PRINCE. Let us see the condition of the country so far as the bonds are concerned. On the 7th day of December, 1903, this was our condition: We had five hundred and fifty-eight millions and upward of bonds that we can not pay until the 1st of April, 1930. On August 1, 1908, there will be due \$77,000,000 of bonds. After July 1, 1907, there will be due \$161,000,000 of bonds. After February 1, 1925, there will be due \$118,000,000 of bonds. After February 1, 1904, there were \$7,000,000 of bonds due, and those have been paid. Now, what security did the Secretary of the Treasury of the United States take when he deposited this money in the national banks? As I ascertained, because I introduced a bill and presented the facts in the form of a preamble, the Secretary of the Treasury at that time held as security for money deposited in the national bank depositories Philippine certificates, State and city bonds, District of Columbia bonds, Hawaiian bonds, and United States Government bonds deemed by him to be ample security for a loan without interest to the national bank depositories for the sums aforementioned. It is clear to any of us that for more than a year there has been upward of \$100,000,000 belonging to the people in the hands of the national banks for which they have not received any interest. Why do I state that?

One year ago there were in the hands of the national banks in the United States more than \$104,000,000. I have a statement here dated January 4, 1905, and it shows that there is still in their hands, and has been continuously for more than a year, \$103,000,000. As stated by my colleague from New Jersey [Mr. FOWLER], if this money had been deposited as ordinary business men deposit their money, and checked upon, there would be no perceptible interference with the financial condition of this country, because, as he stated to you, the amount of the volume of business done in the neighborhood of nearly \$400,000,000 in the transactions in this country day by day. So that the checking in or the checking out of this money would not affect the business interests of the country in the slightest degree. [Applause.]

If we are going to insist upon a greater rate of interest than 1 per cent, the only way to act is to deposit in the national banks Government money the same as business men deposit their money. We exact of the banks a bond security for the money now deposited with them. The amendment of my colleague does not say the Secretary of the Treasury may not require other security, but leaves that question in the discretion of the Secretary of the Treasury, who may require security or not, as he sees fit.

If we are going to require large interest from the banks for the use of Government money, let us go at it squarely and fairly and do and act the same as the ordinary business man does and acts and receive the same treatment so far as depositors are concerned.

The banks can well afford to pay the Government interest on its deposits. There is no question but what they can do that. There is not one of us who does not see in the papers every day advertisements asking depositors to go to the different banks here and elsewhere and that they will pay them 2, 2½, and 3 per cent on their deposits.

Is there any danger in the Government depositing its money in national banks unless security is required? Who has the supervision of these banks? The Government of the United States. Who gives their charter? The Government. Whose officers are daily upon guard, watching and demanding and insisting from time to time on statements from these banks? The national officers, through the Comptroller of the Currency. As has been stated by my colleague, if the banks from 1879 down to this moment had paid to the Government interest at the rate of 2 per cent on these deposits at least fifty millions would have been realized by the Government. But some one may suggest there might have been losses somewhere. Admit there could possibly have been a loss of, say, five or six thousand dollars in rare instances. That is a mere nothing compared with the fifty millions that would have been realized from interest. So that it seems to me that this amendment is a good proposition, and we can favor the amendment, as suggested by my colleague, in favor of requiring 2 per cent on money loaned to these national depositories. I can not agree to the provision

of a first lien on the assets, as I do not regard it as fair to depositors. Put the Government and others on the same footing.

Mr. COCKRAN of New York. Will the gentleman permit me to ask him a question?

Mr. PRINCE. Certainly.

Mr. COCKRAN of New York. What is the reason of the gentleman favoring an arbitrary rate of 2 per cent, fixed by the Secretary of the Treasury, rather than a rate fixed by the banks based upon a computation of the use of the deposit?

Mr. PRINCE. I would say that this was the best judgment of the committee, seeking to get interest on some basis. Two per cent was the basis fixed by the Government for its last loan. The people were ready and willing to purchase bonds at that rate. The banks themselves were ready and willing to purchase those bonds at that rate. They regarded it as a good investment. Banks generally throughout the country pay 2 per cent on savings deposits, and are very anxious to obtain money at that rate from depositors. I think they should be willing to pay the Government, as a depositor, the same rate they pay other depositors. [Applause.] If it should be the judgment of the committee that the question of interest should be left entirely to the discretion of the Secretary, I would be perfectly satisfied. What I do want and shall insist upon, so far as I can, is that the Government get interest on its deposits. [Applause.] Has the gentleman any further questions?

Mr. COCKRAN of New York. That is entirely satisfactory.

Mr. HILL of Connecticut. Mr. Chairman, as the hour is getting late, and as I propose to move that the committee rise, I should like to make one suggestion. I will ask to have inserted in the RECORD the figures I have shown on the chart which I have exhibited. I should like in this connection to call attention to the fact that I made the reserve uniform in the reserve cities as well as in the country, making it 15 per cent all the way through. Of course I understood that in the reserve cities the reserve is 25 per cent. It only makes the showing stronger on the proposition that I have advanced.

Mr. BARTLETT. Are you going to put that table in the RECORD?

Mr. HILL of Connecticut. I am going to try to have it put in the RECORD.

The CHAIRMAN. If there be no objection, the table to which the gentleman refers will be printed in the RECORD.

There was no objection.

Mr. HILL of Connecticut. Before moving that the committee rise I will ask if there are any gentlemen who would like to have time on this particular section?

Mr. DE ARMOND. Mr. Chairman, I think I will take a few minutes.

Mr. HILL of Connecticut. I think the committee are willing to give all the time that is desired. There are several other sections to the bill, and I hope that at the next time it is called up we can come to a vote on this particular section in an hour or two.

Mr. BARTLETT. What is the proposition?

Mr. HILL of Connecticut. The proposition is that debate on this section and all amendments thereto be closed in one hour when the bill is called up again.

Mr. BARTLETT. Do you make that as a motion?

Mr. HILL of Connecticut. I would like to ask unanimous consent.

Mr. COCKRAN of New York. I think you had better leave that open.

Mr. HILL of Connecticut. On this particular section.

Mr. BARTLETT. We can not make that arrangement this afternoon.

Mr. HILL of Connecticut. Very well, then; I will move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. DALZELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 4831) to improve currency conditions, and had come to no resolution thereon.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. PARKINSON, its reading clerk, announced that the Senate had passed without amendment bills of the following titles:

H. R. 2510. An act for the construction of a steam revenue cutter adapted to service in the waters of Albemarle and Pamlico sounds, North Carolina; and

H. R. 15317. An act to build a bridge across the Ouachita River, Arkansas.

The message also announced that the Senate had passed bills

of the following titles; in which the concurrence of the House of Representatives was requested:

S. 6067. An act for the relief of the Good Shepherd Industrial School; and

S. 5888. An act to allow the Minneapolis, Red Lake and Manitoba Railway Company to acquire certain lands in the Red Lake Indian Reservation, Minn.

The message also announced that the Senate had passed the following resolutions:

Resolved, That the Senate has heard with deep sensibility the announcement of the death of Hon. WILLIAM F. MAHONEY, late a Representative from the State of Illinois.

Resolved, That as an additional mark of respect to the memory of the deceased the Senate do now adjourn.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 6067. An act for the relief of the Good Shepherd Industrial School—to the Committee on Claims.

S. 5888. An act to allow the Minneapolis, Red Lake and Manitoba Railway Company to acquire certain lands in the Red Lake Indian Reservation—to the Committee on Indian Affairs.

ENROLLED BILLS.

Mr. WACHTER, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. J. Res. 158. Joint resolution for the relief of Julius A. Kaiser;

H. R. 16445. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1905, and for other purposes; and

H. R. 15590. An act to amend an act approved April 26, 1904, entitled "An act to enable the Secretary of War to permit the erection of a lock and dam in aid of navigation in the Tennessee River near Chattanooga, Tenn., and for other purposes."

And then, on motion of Mr. DALZELL (at 4 o'clock and 35 minutes p. m.), the House adjourned.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, the following executive communications were taken from the Speaker's table and referred as follows:

A letter from the Secretary of War, transmitting, with a copy of a letter from a former Secretary of War, a draft of a joint resolution authorizing the distribution of medals for service in the Spanish-American war and other campaigns—to the Committee on Military Affairs, and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, preliminary report of survey and estimate for a wagon road from Valdez to Fort Egbert, in Alaska, and of a trail from the Yukon River to Coldfoot, Alaska—to the Committee on Appropriations, and ordered to be printed.

A letter from the Secretary of War, transmitting a report of the annual inspection of the several branches of the National Home for Disabled Volunteer Soldiers—to the Committee on Military Affairs, and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting reports from the accounting officers of the Treasury on the rendition and transmission of accounts and on balances due the Government—to the Committee on Expenditures in the Treasury Department.

A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Secretary of War submitting an estimate of appropriation for the National Home for Disabled Volunteer Soldiers—to the Committee on Appropriations, and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Secretary of the Interior submitting an estimate of appropriation for fulfilling treaties with the Kickapoo Indians—to the Committee on Indian Affairs, and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Secretary of the Smithsonian Institution submitting an estimate of appropriation for transportation of exhibits from the Louisiana Purchase Exposition—to the Committee on Appropriations, and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Secretary of State submitting an estimate of appropriation for expenses of a minister to Morocco—to the Committee on Foreign Affairs, and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting a

copy of a communication from the Secretary of Commerce and Labor submitting an estimate of appropriation for establishment of aids to navigation in the waters of the Midway Islands—to the Committee on Interstate and Foreign Commerce, and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting, with a copy of a communication from the Secretary of State, an estimate of appropriation for furnishing the legation buildings at Peking, China—to the Committee on Foreign Affairs, and ordered to be printed.

A letter from the Secretary of the Interior, submitting a report of the disbursements for the fiscal year ending June 30, 1905, to the several States for the colleges of agriculture and the mechanic arts—to the Committee on Agriculture, and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting a copy of a communication from the Secretary of the Navy submitting an additional estimate of appropriation for the Navy—to the Committee on Naval Affairs, and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the conclusions of fact and law in the French spoliation cases relating to the ship *Aurora*, Stephen Butman, master—to the Committee on Claims, and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the conclusions of fact and law in the French spoliation cases relating to the sloop *Geneva*, Giles Savage, master—to the Committee on Claims, and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of Thomas P. Morgan against The United States—to the Committee on War Claims, and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of Annie E. Jones, Robert McElroy Jones, Alice J. Jones, Mattie E. Blanchard, Clemence W. Brian, Cecilia McElroy Dunn, and Robert M. Jones, administrator of estate of Emma H. Wells, against The United States—to the Committee on War Claims, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions of the following titles were severally reported from committees, delivered to the Clerk, and referred to the several Calendars therein named, as follows:

Mr. COWHERD, from the Committee on the District of Columbia, to which was referred the bill of the House (H. R. 16450) to authorize certain changes in the permanent system of highways, District of Columbia, reported the same with amendment, accompanied by a report (No. 3227); which said bill and report were referred to the House Calendar.

He also, from the same committee, to which was referred the bill of the House (H. R. 16582) to authorize the Union Trust and Storage Company to change its corporate name, reported the same without amendment, accompanied by a report (No. 3228); which said bill and report were referred to the House Calendar.

Mr. SAMUEL W. SMITH, from the Committee on the District of Columbia, to which was referred the bill of the House (H. R. 16802) to authorize the Commissioners of the District of Columbia to enter into contract for the collection and disposal of garbage, ashes, etc., reported the same with amendment, accompanied by a report (No. 3229); which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. CLAUDE KITCHIN, from the Committee on Claims, to which was referred the bill of the Senate (S. 4079) for the relief of James Denton, reported the same without amendment, accompanied by a report (No. 3225); which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. LITTAUER, from the Committee on Appropriations: A bill (H. R. 17094) making appropriations for fortifications and other works of defense, for the armament thereof, for the

procurement of heavy ordnance for trial and service, and for other purposes—to the Union Calendar.

By Mr. BINGHAM: A bill (H. R. 17095) to establish aids to navigation in Delaware Bay and River—to the Committee on Interstate and Foreign Commerce.

By Mr. ROBERTS: A bill (H. R. 17096) to further increase the efficiency of the Navy—to the Committee on Naval Affairs.

By Mr. WADSWORTH: A bill (H. R. 17097) to amend an act approved February 28, 1903, entitled "An act to provide for a union station in the District of Columbia, and for other purposes"—to the Committee on the District of Columbia.

By Mr. GROSVENOR: A bill (H. R. 17098) to promote the national defense, to create a force of naval volunteers, to establish American ocean mail lines to foreign markets, to promote commerce, and to provide revenue from tonnage—to the Committee on the Merchant Marine and Fisheries.

By Mr. HAUGEN: A bill (H. R. 17099) to further regulate interstate commerce—to the Committee on Interstate and Foreign Commerce.

By Mr. HUMPHREYS of Mississippi: A bill (H. R. 17100) to authorize the construction of a bridge across Sunflower River in Sharkey County, Miss.—to the Committee on Interstate and Foreign Commerce.

By Mr. ALLEN: A bill (H. R. 17101) granting the right to sell burial sites in parts of certain streets in Washington City to the vestry of Washington Parish, for the benefit of the Congressional Cemetery—to the Committee on the District of Columbia.

By Mr. HARRISON: A bill (H. R. 17102) to extend the time within which actions for the recovery of duties paid in Porto Rico may be brought in the Court of Claims under the act of April 29, 1902—to the Committee on Claims.

By Mr. McNARY: A bill (H. R. 17103) to make Quincy, Mass., a port of delivery—to the Committee on Ways and Means.

By Mr. McCREARY of Pennsylvania: A bill (H. R. 17104) to provide for the erection of a monument on the battlefield of Gettysburg to commemorate the services of the United States Signal Corps during the war of the rebellion—to the Committee on the Library.

By Mr. SHERLEY: A bill (H. R. 17105) to provide for the construction of a dam on the Ohio River at the head of the falls at Louisville, and so forth—to the Committee on Rivers and Harbors.

By Mr. KINKAID: A bill (H. R. 17106) to amend an act entitled "An act to amend the homestead laws as to certain unappropriated and unreserved lands in Nebraska," approved April 28, 1904—to the Committee on the Public Lands.

By Mr. COUSINS: A bill (H. R. 17107) for improving, repairing, and the erection of an addition to the public building at Cedar Rapids, Iowa, and for purchasing ground therefor—to the Committee on Public Buildings and Grounds.

By Mr. DAYTON: A bill (H. R. 17108) authorizing the President to place certain army officers on the retired list—to the Committee on Military Affairs.

By Mr. ALLEN: A bill (H. R. 17109) to define the limits of square 1131 in the city of Washington, D. C.—to the Committee on the District of Columbia.

By Mr. SHEPPARD: A bill (H. R. 17110) for the repeal of act No. 42, public, entitled "An act to authorize the construction and to maintain a dam and wagon bridge across Twelvemile Bayou, in parish of Caddo, in the State of Louisiana," approved February 8, 1901, on certain conditions—to the Committee on Interstate and Foreign Commerce.

By Mr. MANN: A bill (H. R. 17111) to authorize the construction of water-power dams across the navigable waters of the United States—to the Committee on Interstate and Foreign Commerce.

By Mr. STEVENS of Minnesota: A bill (H. R. 17112) to authorize the establishment of fish-cultural and biological stations in the United States, and for other purposes—to the Committee on the Merchant Marine and Fisheries.

By Mr. WILEY of New Jersey: A bill (H. R. 17113) for universal transfers over the street railway lines in the District of Columbia—to the Committee on the District of Columbia.

Also, a bill (H. R. 17114) to provide for the removal of snow, ice, grass, weeds, and other impediments from the sidewalks and gutters of the streets, avenues, and highways in the District of Columbia—to the Committee on the District of Columbia.

By Mr. ADAMS of Pennsylvania: A bill (H. R. 17115) to provide for the infliction of corporal punishment upon all male persons convicted of willfully beating their wives, and the manner and place of inflicting the said punishment, and the officers by whom the same is to be inflicted—to the Committee on the District of Columbia.

By Mr. COWHERD: A bill (H. R. 17116) to fix rate of postage on books and merchandise mailed at distributing post-offices of rural free-delivery routes—to the Committee on the Post-Office and Post-Roads.

By Mr. SPARKMAN: A joint resolution (H. J. Res. 186) for the relief of P. J. McMahon—to the Committee on Naval Affairs.

By Mr. STEPHENS of Texas: A joint resolution (H. J. Res. 187) providing for the appointment of an auditing board in the Choctaw and Chickasaw nations, Indian Territory—to the Committee on Indian Affairs.

By Mr. GOULDEN: A joint resolution (H. J. Res. 188) to provide for the appointment of a commission to investigate and recommend legislation for the development of the naturalization laws of the United States—to the Committee on Immigration and Naturalization.

By Mr. STEPHENS of Texas: A resolution (H. Res. 412) requesting the Secretary of the Interior to furnish the House of Representatives, for the information of Congress, a copy of certain contracts—to the Committee on Indian Affairs.

By Mr. McCLEARY of Minnesota: A resolution (H. Res. 413) authorizing the Committee on Appropriations to provide specifically for certain personal services in the District of Columbia—to the Committee on Rules.

By Mr. McNARY: A resolution (H. Res. 414) directing information from the President of the United States concerning the Isthmian Canal Commission—to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS INTRODUCED.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. ADAMS of Pennsylvania: a bill (H. R. 17117) granting an increase of pension to George H. Brusstar—to the Committee on Invalid Pensions.

By Mr. BURNETT: A bill (H. R. 17118) granting a pension to G. M. McCurry—to the Committee on Pensions.

By Mr. BRADLEY: A bill (H. R. 17119) granting an increase of pension to Lewis Hitt—to the Committee on Invalid Pensions.

By Mr. BOWERSOCK: A bill (H. R. 17120) for the relief of the heirs of Elijah S. Means—to the Committee on Claims.

By Mr. BIRDSALL: A bill (H. R. 17121) granting a pension to Raymond P. Snow—to the Committee on Pensions.

Also, a bill (H. R. 17122) granting an increase of pension to Charles Thompson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17123) granting an increase of pension to George V. Barnard—to the Committee on Invalid Pensions.

By Mr. CANDLER: A bill (H. R. 17124) granting a pension to Rupert Cannon—to the Committee on Invalid Pensions.

By Mr. ADAMSON: A bill (H. R. 17125) granting a pension to Mary Haynes—to the Committee on Pensions.

Also, a bill (H. R. 17126) granting an increase of pension to Caroline Jennings—to the Committee on Pensions.

By Mr. COWHERD: A bill (H. R. 17127) granting a pension to George W. Anthony—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17128) granting a pension to John Hobart—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17129) authorizing the President to appoint S. J. Call surgeon in the Revenue-Cutter Service—to the Committee on Naval Affairs.

By Mr. COCKRAN of New York: A bill (H. R. 17130) granting an increase of pension to Edward Donnelly—to the Committee on Invalid Pensions.

By Mr. COUSINS: A bill (H. R. 17131) granting an increase of pension to James W. Cross—to the Committee on Invalid Pensions.

By Mr. CLAYTON: A bill (H. R. 17132) for the relief of the Mitsui Bussan Kaisha—to the Committee on Claims.

By Mr. CLARK: A bill (H. R. 17133) granting an increase of pension to Stephen Glanden—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17134) granting an increase of pension to Harrison Randolph—to the Committee on Invalid Pensions.

By Mr. CAPRON: A bill (H. R. 17135) granting an increase of pension to David C. Austin—to the Committee on Invalid Pensions.

By Mr. CAMPBELL: A bill (H. R. 17136) granting a pension to A. N. Stamm—to the Committee on Pensions.

By Mr. DE ARMOND (by request): A bill (H. R. 17137) granting a pension to Charles W. McMullen—to the Committee on Invalid Pensions.

Also (by request), a bill (H. R. 17138) granting an increase

of pension to Sarah J. Drummond—to the Committee on Invalid Pensions.

Also (by request) a bill (H. R. 17139) granting an increase of pension to George W. Jennings—to the Committee on Pensions.

By Mr. FOWLER: A bill (H. R. 17140) granting a pension to Mary E. Hoffman—to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 17141) granting a pension to William E. White—to the Committee on Pensions.

Also, a bill (H. R. 17142) granting an increase of pension to Edward G. Burnet—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17143) granting an increase of pension to Thomas C. Craig—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17144) granting an increase of pension to Abraham Mathews—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17145) granting an increase of pension to James C. Fisher—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17146) granting an increase of pension to William Carter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17147) granting an increase of pension to James A. Gossett—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17148) for the relief of M. D. Wright and Robert Neill—to the Committee on Claims.

By Mr. GROSVENOR: A bill (H. R. 17149) granting an honorable discharge to Alva A. Miller—to the Committee on Military Affairs.

By Mr. GRANGER: A bill (H. R. 17150) for the relief of Michael J. Murphy—to the Committee on Claims.

By Mr. GRAFF: A bill (H. R. 17151) granting a pension to Avery Dalton—to the Committee on Pensions.

By Mr. GIBSON: A bill (H. R. 17152) for the relief of the estate of William F. Sharp, deceased—to the Committee on War Claims.

Also, a bill (H. R. 17153) for the relief of James Prater—to the Committee on War Claims.

Also, a bill (H. R. 17154) for the relief of the estate of Joel Johnson, deceased—to the Committee on War Claims.

Also, a bill (H. R. 17155) for the relief of Eli Sharp—to the Committee on War Claims.

Also, a bill (H. R. 17156) for the relief of the estate of William H. Turley, deceased—to the Committee on War Claims.

Also, a bill (H. R. 17157) for the relief of the estate of John Browder, deceased—to the Committee on War Claims.

Also, a bill (H. R. 17158) for the relief of G. A. McNutt—to the Committee on War Claims.

Also, a bill (H. R. 17159) for the relief of A. K. Meek—to the Committee on War Claims.

Also, a bill (H. R. 17160) granting an increase of pension to Amos L. Griffith—to the Committee on Invalid Pensions.

By Mr. HUNTER: A bill (H. R. 17161) granting a pension to C. J. Walton—to the Committee on Invalid Pensions.

By Mr. HOUSTON: A bill (H. R. 17162) granting an increase of pension to Thomas Dukes—to the Committee on Pensions.

By Mr. HILDEBRANT: A bill (H. R. 17163) granting an increase of pension to Elizabeth Jackson—to the Committee on Pensions.

By Mr. HILL of Connecticut: A bill (H. R. 17164) granting a pension to Solomon Carpenter—to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 17165) for the relief of Addison L. Brown—to the Committee on War Claims.

By Mr. JACKSON of Ohio: A bill (H. R. 17166) granting a pension to Catherine Boehler—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17167) granting a pension to Malinda M. Hopkins—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17168) granting a pension to Richard M. Johnson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17169) granting an increase of pension to William Minick—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17170) granting a pension to Roberta R. Havelick—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17171) granting an honorable discharge to Samuel Zellner—to the Committee on Naval Affairs.

Also, a bill (H. R. 17172) granting an increase of pension to James H. Morrill—to the Committee on Invalid Pensions.

By Mr. WILLIAM W. KITCHIN: A bill (H. R. 17173) granting an increase of pension to O. T. Westmoreland—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17174) granting an increase of pension to John Luther Kraber—to the Committee on Invalid Pensions.

By Mr. HITT: A bill (H. R. 17175) for the relief of Capt. Frank D. Ely—to the Committee on Military Affairs.

By Mr. KINKAID: A bill (H. R. 17176) granting an increase

of pension to J. B. Dickson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17177) granting an increase of pension to Norman I. Squires—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17178) granting an increase of pension to John S. McCammon—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17179) granting an increase of pension to Eli Burton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17180) granting an increase of pension to John G. Snook—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17181) granting an increase of pension to Thomas H. Ewing—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17182) granting an increase of pension to William Little—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17183) granting an increase of pension to Eli Burton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17184) granting an increase of pension to Samuel H. Davis—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17185) granting an increase of pension to James Jacobs—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17186) granting an increase of pension to John M. Bayley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17187) granting a pension to Peter R. Crum—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17188) granting a pension to Walter Donahue—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17189) granting an increase of pension to Ralph D. Parsons—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17190) granting an increase of pension to William H. Andrews—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17191) granting a pension to William H. Moody—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17192) granting a pension to Wesley Ann Dodd—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17193) granting a pension to Emiline Malone—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17194) granting a pension to Rosina Brestel—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17195) granting a pension to Ransom B. Hunter—to the Committee on Pensions.

Also, a bill (H. R. 17196) granting a pension to D. Y. Mears—to the Committee on Pensions.

By Mr. KETCHAM: A bill (H. R. 17197) granting an increase of pension to James Mitchell—to the Committee on Invalid Pensions.

By Mr. LOUD: A bill (H. R. 17198) to correct the military record of Christian Beehler—to the Committee on Military Affairs.

Also, a bill (H. R. 17199) to correct the military record of Thomas J. Shaw—to the Committee on Military Affairs.

Also, a bill (H. R. 17200) granting an increase of pension to James Martin—to the Committee on Invalid Pensions.

By Mr. LINDSAY: A bill (H. R. 17201) granting an increase of pension to Henry Lorch—to the Committee on Invalid Pensions.

By Mr. MURDOCK: A bill (H. R. 17202) granting an increase of pension to Seth Knight—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17203) granting an increase of pension to Abasha Risk—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17204) granting a pension to Thomas Dockery—to the Committee on Invalid Pensions.

By Mr. McNARY: A bill (H. R. 17205) granting an increase of pension to Patrick Haley—to the Committee on Invalid Pensions.

By Mr. McGUIRE: A bill (H. R. 17206) for the relief of David F. Hood—to the Committee on Military Affairs.

Also, a bill (H. R. 17207) granting an increase of pension to James H. McGuire—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17208) granting an increase of pension to William Umbarger—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17209) granting an increase of pension to Moses Davis—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17210) granting an increase of pension to John L. Whitman—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17211) granting an increase of pension to George L. Toombs—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17212) granting certain lands to the Agricultural and Mechanical College of Oklahoma Territory—to the Committee on the Public Lands.

Also, a bill (H. R. 17213) granting an increase of pension to William B. Lee—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17214) granting a pension to Rebecca Walters—to the Committee on Invalid Pensions.

By Mr. McCREARY of Pennsylvania: A bill (H. R. 17215)

granting a pension to Eliza H. Britton—to the Committee on Invalid Pensions.

By Mr. MACON: A bill (H. R. 17216) granting an increase of pension to Benjamin Bibb—to the Committee on Pensions.

Also, a bill (H. R. 17217) granting an increase of pension to L. B. Jackson—to the Committee on Pensions.

By Mr. OTIS: A bill (H. R. 17218) granting an increase of pension to Cornelius Springsteel—to the Committee on Invalid Pensions.

By Mr. PINCKNEY: A bill (H. R. 17219) granting an increase of pension to Alfred B. Menard—to the Committee on Pensions.

By Mr. REEDER: A bill (H. R. 17220) granting an increase of pension to John Costello—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17221) for the relief of William A. Grogan—to the Committee on Claims.

Also, a bill (H. R. 17222) granting an increase of pension to William G. Mullen—to the Committee on Pensions.

Also, a bill (H. R. 17223) granting an increase of pension to William C. Brown—to the Committee on Pensions.

Also, a bill (H. R. 17224) granting an increase of pension to Joseph McNulty—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17225) granting a pension to J. M. Cruson—to the Committee on Invalid Pensions.

By Mr. SMITH of Illinois: A bill (H. R. 17226) for the relief of Edward B. Haynie—to the Committee on Military Affairs.

Also, a bill (H. R. 17227) granting an increase of pension to Thomas Summers—to the Committee on Invalid Pensions.

By Mr. SULLIVAN of Massachusetts: A bill (H. R. 17228) to correct the naval record of Stephen Shorthill—to the Committee on Naval Affairs.

Also, a bill (H. R. 17229) to correct the military record of Reuben D. Terry—to the Committee on Military Affairs.

Also, a bill (H. R. 17230) granting an increase of pension to Richard Desmond—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17231) granting an increase of pension to Ernest A. Billings—to the Committee on Invalid Pensions.

By Mr. SIMS: A bill (H. R. 17232) granting an increase of pension to Martha McAfee—to the Committee on Pensions.

By Mr. SULLIVAN of Massachusetts: A bill (H. R. 17233) granting a pension to Moses E. Angell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17234) granting a pension to Ellen S. Gifford—to the Committee on Invalid Pensions.

By Mr. TOWNSEND: A bill (H. R. 17235) for the relief of Arra M. Farnsworth—to the Committee on War Claims.

By Mr. WILLIAMS of Mississippi: A bill (H. R. 17236) granting an increase of pension to Sarah B. Hiril—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17237) granting an increase of pension to Henry Knox Sikes—to the Committee on Invalid Pensions.

Also, a bill (H. R. 17238) granting an increase of pension to Andrew J. Herod—to the Committee on Pensions.

By Mr. WILSON of Arizona (by request): A bill (H. R. 17239) for the relief of Anna White—to the Committee on War Claims.

Also, a bill (H. R. 17240) granting an increase of pension to Luther Kaltenback—to the Committee on Invalid Pensions.

By Mr. WARNER: A bill (H. R. 17241) granting an increase of pension to David A. Miller—to the Committee on Invalid Pensions.

By Mr. HINSHAW: A bill (H. R. 17242) amending the records of the War Department in the case of John D. McGeehan—to the Committee on Military Affairs.

Also, a bill (H. R. 17243) granting an increase of pension to James Batten—to the Committee on Invalid Pensions.

By Mr. SHEPPARD: A bill (H. R. 17244) granting an increase of pension to John Winemiller—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, the following petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Resolution of Carriage Builders' National Association of Wilmington, Del., in favor of increasing the powers of the Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

Also, petition of New England Sabbath Protective League, against Sunday banking by the Post-Office Department—to the Committee on the Post-Office and Post-Roads.

Also, petition of citizens of Chrisman, Edgar County, Ill.,

against sale of intoxicating liquors in the Indian Territory—to the Committee on the Territories.

Also, petition of Nolin Miller, of Albion, Mich., favoring bill H. R. 13778—to the Committee on Interstate and Foreign Commerce.

Also, petition of Lande & Conner et al., of Auburn, Ind., favoring bill H. R. 13778—to the Committee on Interstate and Foreign Commerce.

By Mr. ADAMS of Pennsylvania: Papers to accompany bill H. R. 11681, granting an increase of pension to James H. V. Voldo, alias James H. Nenier—to the Committee on Invalid Pensions.

Also, papers to accompany bill granting an increase of pension to George H. Brusstar, private, Company H, One hundred and ninetyeth Regiment Pennsylvania Volunteer Infantry—to the Committee on Invalid Pensions.

Also, papers to accompany bill H. R. 16805, for increase of pension to Fred A. Bird—to the Committee on Invalid Pensions.

By Mr. BIRDSALL: Papers to accompany bill H. R. 16033, granting increase of pension to Church Fortner—to the Committee on Invalid Pensions.

By Mr. BURTON: Petition of the Cleveland Chamber of Commerce, urging the establishment of pneumatic systems of mail transmission at Cleveland, Ohio—to the Committee on the Post-Office and Post-Roads.

By Mr. CAPRON: Resolution of Providence Division, No. 57, Brotherhood of Locomotive Engineers, of Providence, R. I., in favor of the passage of the bill for the relief of locomotive engineers during the war of the rebellion—to the Committee on Invalid Pensions.

Also, resolution of the South Woodlawn Improvement Society, of Pawtucket, R. I., in favor of the passage of the Hearst bill to increase the powers of the Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

Also, petition of the Roger Williams Baptist Sunday School, of Providence, R. I., in favor of the passage of the Hepburn-Dolliver bill—to the Committee on the Judiciary.

Also, resolution of the Pawtucket Merchants' Association, of Pawtucket, R. I., in favor of the passage of the Hearst bill to increase the powers of the Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

Also, petition of the Woman's Christian Temperance Union of Rhode Island, against the repeal of the anticanteen law—to the Committee on Military Affairs.

Also, papers to accompany bill granting an increase of pension to David C. Austin—to the Committee on Invalid Pensions.

By Mr. CURRIER: Petition of the Methodist Episcopal Church Society of Rindge, N. H., favoring legislation prohibiting sale of intoxicating liquors on all Government premises—to the Committee on Alcoholic Liquor Traffic.

Also, petition of E. H. King et al., of Claremont, N. H., favoring bill H. R. 13778—to the Committee on Interstate and Foreign Commerce.

By Mr. DAYTON: Petition of Joshua L. Corder, of Barbour County, W. Va., favoring reference of war claims to Court of Claims—to the Committee on War Claims.

Also, petition of heir of William H. Wentzell, of Jefferson County, W. Va., favoring reference of war claims to Court of Claims—to the Committee on War Claims.

By Mr. FRENCH: Papers to accompany bill for the relief of James C. Fisher—to the Committee on Invalid Pensions.

By Mr. FULLER: Protest of the New England Tobacco Growers' Association, against reduction of duty on Philippine tobacco—to the Committee on Ways and Means.

By Mr. GIBSON: Petition of W. B. Coldwell et al., favoring pensions for ex-prisoners of war—to the Committee on Invalid Pensions.

Also, petition of administrator of estate of George Simmons—to the Committee on War Claims.

Also, petition of Bettie H. Eastman, in support of southern war claim—to the Committee on War Claims.

Also, papers to accompany claim of Allen R. Johnson—to the Committee on War Claims.

Also, papers to accompany claim of J. Reese Cook—to the Committee on War Claims.

Also, papers to accompany claim for relief of E. O. Cross—to the Committee on War Claims.

Also, papers to accompany claim for the relief of Elizabeth Flippins, of Lancaster County, Va.—to the Committee on War Claims.

By Mr. GRANGER: Petition of the South Woodlawn Improvement Association, favoring bill to increase powers of the Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

Also, petition of the Woman's Christian Temperance Union of

Providence, R. I., opposing the repeal of the anticanteen law—to the Committee on Military Affairs.

Also, petition of the Woman's Christian Temperance Union, protesting against striking out the word "sex" in the statehood bill—to the Committee on the Territories.

Also, petition of the First Baptist Church of Newport, R. I., in favor of constitutional amendment prohibiting polygamy—to the Committee on the Judiciary.

Also, petition of the New England Shoe and Leather Association, of Boston, Mass., favoring the bill to increase the powers of the Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

Also, petition of the Woman's Christian Temperance Union of Central Falls, R. I., protesting against striking out the word "sex" in statehood bill—to the Committee on the Territories.

Also, petition of Providence Division, No. 57, Brotherhood of Locomotive Engineers, of Providence, R. I., favoring bill H. R. 13354—to the Committee on Invalid Pensions.

By Mr. HAUGEN: Petition of J. W. Conway and 7 other citizens of Elma, Iowa, in favor of the Hearst bill—to the Committee on Interstate and Foreign Commerce.

By Mr. HEARST: Petition of business men and producers of Ottumwa, Iowa, urging passage of bill H. R. 13778, known as the "Hearst interstate-commerce bill"—to the Committee on Interstate and Foreign Commerce.

Also, petition urging the passage of bill H. R. 13778, known as the "Hearst bill," by citizens of Portland, Oreg.—to the Committee on Interstate and Foreign Commerce.

By Mr. HEDGE: Petition of citizens of Oklahoma, for saloon exclusion—to the Committee on Alcoholic Liquor Traffic.

By Mr. HILDEBRANT: Petition favoring the Hepburn-Dolliver bill—to the Committee on Invalid Pensions.

Also, papers to accompany bill granting an increase of pension to Elizabeth Jackson—to the Committee on Invalid Pensions.

By Mr. HINSHAW: Petition for the relief of James Batten—to the Committee on Invalid Pensions.

By Mr. HUMPHREY of Washington: Memorial praying for the extension of the Alaskan Government cable from Valdez to Dutch Harbor and Kiska Island and from Juneau to Ketchikan—to the Committee on Military Affairs.

By Mr. JACKSON of Ohio: Papers relating to the removal of charge of desertion and obtaining pension for Samuel Zellner—to the Committee on Invalid Pensions.

Also, papers relating to pension for Richard M. Johnson, Company B, One hundred and ninety-fifth Regiment Ohio Volunteer Infantry—to the Committee on Invalid Pensions.

Also, papers relating to pension increase for Daniel Hartough—to the Committee on Invalid Pensions.

Also, papers accompanying application of Mrs. Roberta R. Havelick, for special pension—to the Committee on Invalid Pensions.

By Mr. KETCHAM: Papers to accompany application for pension for Gertrude A. Harding—to the Committee on Invalid Pensions.

By Mr. LAMAR of Missouri: Papers to accompany bill H. R. 17056, granting a pension to Sarah H. Willbrite—to the Committee on Invalid Pensions.

Also, papers to accompany bill H. R. 17054, granting a pension to R. Burchfield—to the Committee on Invalid Pensions.

Also, papers to accompany bill H. R. 16394, granting a pension to Sarah C. Johnson—to the Committee on Invalid Pensions.

Also, papers to accompany bill H. R. 17052, for the relief of Brian B. Tulley—to the Committee on Invalid Pensions.

By Mr. MACON: Petition for an increase of pension for Benjamin F. Bibb—to the Committee on Pensions.

Also, petition for an increase of pension for Mrs. L. B. Jackson—to the Committee on Pensions.

By Mr. MAHON: Petition of First Baptist Church of Lewistown, Pa., in favor of Hepburn-Dolliver bill—to the Committee on the Judiciary.

By Mr. McLACHLAN: Petition of W. E. Stevens et al., of Carpinteria, Cal., favoring bill H. R. 13778—to the Committee on Interstate and Foreign Commerce.

By Mr. McMORRAN: Petition of citizens of New Haven, Mich., in favor of the Hearst bill, enlarging the powers of the Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

By Mr. MOON of Tennessee: Papers to accompany bill H. R. 15748, to increase pension of Evan R. Young—to the Committee on Invalid Pensions.

By Mr. RIXEY: Petition of Robert D. Embrey, of Fauquier County, Va., praying reference of war claim to the Court of Claims—to the Committee on War Claims.

By Mr. ROBERTS: Petition of the Ladies' Missionary So-

ciet of the Essex Street Baptist Church, of Lynn, Mass., in favor of a constitutional amendment prohibiting polygamy—to the Committee on the Judiciary.

Also, petition of C. B. Cushing, of Chelsea, Mass., in favor of constitutional amendment prohibiting polygamy—to the Committee on the Judiciary.

By Mr. RYAN: Petition of Union League Club of New York, in relation to tariff revision—to the Committee on Ways and Means.

Also, petition of the Buffalo Lumber Exchange, favoring enlargement of the powers of Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

By Mr. SNOOK: Petition of Miami Division of Brotherhood of Locomotive Engineers, for relief of engineers on Government roads in the civil war—to the Committee on Invalid Pensions.

Also, papers in support of bill H. R. 13065, increasing the pension of James Hay—to the Committee on Invalid Pensions.

Also, petition in support of bill H. R. 13065, increasing the pension of James Hay—to the Committee on Invalid Pensions.

By Mr. SULLIVAN of Massachusetts: Petition for the enactment of legislation to amend and legalize the customs-drawback law as expressed in the Lovering bill—to the Committee on Ways and Means.

By Mr. WANGER: Petition of the Montgomery County (Pa.) Medical Society, favoring the bill to increase the efficiency of the Medical Department of the United States Army—to the Committee on Military Affairs.

By Mr. WARNOCK: Petition of Clinton Duncan & Co. et al., citizens of Ostrander, Ohio, in favor of increasing the powers of Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

By Mr. WEEMS: Papers to accompany bill H. R. 16265, for the relief of Margaret Stevens—to the Committee on Invalid Pensions.

By Mr. WYNN: Petition of D. C. Boyd et al., of San Jose, Cal., favoring legislation prohibiting opium in the Philippines—to the Committee on Ways and Means.

Also, protest against construction of the proposed bridge at Carqueinez Straits, California—to the Committee on Military Affairs.

Also, petition of the Merchants' Association of San Francisco, Cal., favoring the improvement of the harbor of Honolulu, Hawaii—to the Committee on Rivers and Harbors.

Also, petition of the Michigan Sugar Manufacturers' Association, against legislation reducing duty on either raw or refined sugar—to the Committee on Ways and Means.

SENATE.

FRIDAY, January 6, 1905.

Prayer by the Chaplain, Rev. EDWARD E. HALE.

The Journal of yesterday's proceedings was read and approved.

ENDOWMENT OF AGRICULTURAL COLLEGES.

The PRESIDING OFFICER (Mr. PERKINS) laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of the disbursements of the fiscal year ended June 30, 1904, made to the States and Territories under the provisions of "An act to apply a portion of the proceeds of the public lands to the more complete endowment and support of colleges for the benefit of agriculture and the mechanic arts, established under the provisions of an act approved July 2, 1862," and an act approved August 30, 1890; which, with the accompanying paper, was referred to the Committee on Public Lands, and ordered to be printed.

REPORT OF THE ATTORNEY-GENERAL.

The PRESIDING OFFICER laid before the Senate the annual report of the Attorney-General for the fiscal year ended June 30, 1904; which was referred to the Committee on the Judiciary, and ordered to be printed.

ELECTORAL VOTES.

The PRESIDING OFFICER laid before the Senate communications from the Secretary of State, transmitting the final ascertainment of electors for President and Vice-President for the States of Pennsylvania and Rhode Island; which, with the accompanying papers, were ordered to be filed.

GEORGETOWN BARGE, DOCK, ELEVATOR AND RAILWAY COMPANY.

The PRESIDING OFFICER laid before the Senate the annual report of the Georgetown Barge, Dock, Elevator and Railway Company, of the District of Columbia; which was referred to the Committee on the District of Columbia, and ordered to be printed.